



GUJARAT NRE COKE LIMITED

REGISTERED OFFICE : 22, CAMAC STREET, BLOCK-C, 5TH FLOOR, KOLKATA - 700 016
PHONE : +91-33-2289-1471 ; FAX : +91-33-2289-1470 ; E-MAIL : kolkata@gujaratnre.com

Dated – 25th May 2014

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Dear Sir/Madam,

Sub : Outcome of Board Meeting held today, i.e. 25th May 2014.

This is to inform you, pursuant to the applicable provisions of the Listing Agreement, that the Board of Directors at its meeting held today, has inter alia

- a) Considered and approved the Standalone Audited Accounts and Consolidated Audited Accounts of the company for the year ended 31st March 2014.
- b) Fixed the date for holding the 27th Annual General Meeting of the shareholders of the company on Tuesday, the 30th day of September 2014.
- c) Fixed the date for Closure of Share Transfer Register and the Register of Members of the Company from Monday, 18th day of August 2014 to Friday, 22nd day of August 2014 (both days inclusive) and also fixed Friday, 22nd day of August 2014 as cut-off date for the purpose of offering e-voting facility to our members in respect of the businesses to be transacted at the 27th Annual General Meeting of the company and accordingly, the Company shall be sending the communications for e-voting to its members whose names appear on the Company's Register of Members/List of beneficial owners on depositories on 22nd August 2014.
- d) Approved and took on record the Standalone Audited Financial Results and Consolidated Audited Financial Results of the Company for the 4th Quarter and for the year ended 31st March 2014 as per clause 41 of the Listing Agreement (copy annexed). A copy of the Independent Auditors Report is also annexed in this regard.
- e) Accepted the resignation submitted by Mr Subodh Kumar Agrawal as Director of the Company w.e.f. 25th May 2014.

This is for your information and record with a further request to upload the same on your website.

Thanking you

Yours faithfully
For Gujarat NRE Coke Ltd

Manoj K. Shah
Company Secretary
Encl : as above

Cc : 1. National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051

2. Singapore Stock Exchange

PART - Statement of Audited Financial Results for the Year ended 31st March, 2014.

(Rs. in Crores)

Sl. No.	PARTICULARS	STANDALONE				CONSOLIDATED			
		QUARTER ENDED		YEAR ENDED		YEAR ENDED		YEAR ENDED	
		(UNAUDITED)	(UNAUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)
1	Net Sales/Income From Operations (Net of excise duty)	89.44	31.12.2013	193.86	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014
2	Total Income from operations	89.44	193.86	327.98	932.38	1,713.04	932.38	2,029.40	2,029.40
	Expenditure								
	a) Cost of Materials Consumed	159.04	168.62	363.99	854.25	1,077.84	851.71	419.66	419.66
	b) Purchase of Stock-in-Trade	8.28	87.35	139.89	409.49	139.89	409.49	139.89	139.89
	c) Changes in Inventories of Finished Goods, Stock-in-Process and Stock in Trade	223.35	205.81	(318.27)	211.47	(101.47)	211.47	(116.36)	(116.36)
	d) Employees benefits expenses	8.34	9.92	13.92	44.08	60.27	44.08	174.13	174.13
	e) Depreciation	16.45	14.96	14.43	61.30	58.33	61.30	321.40	321.40
	f) Other expenditure	47.91	28.98	41.48	125.58	159.84	126.16	853.75	853.75
	g) Total	463.37	515.64	255.44	1,706.17	1,394.70	1,704.21	1,792.47	1,792.47
3	Profit/(Loss) from Operations before other Income, Finance Costs & Exceptional Items [1-2]	(373.93)	(321.78)	72.54	(773.79)	313.34	(771.83)	236.93	236.93
4	Other Income	218.25	0.53	5.76	318.26	38.90	404.71	135.33	135.33
5	Profit/(Loss) from ordinary activities before Finance Cost & Exceptional Items [3+4]	(155.68)	(321.25)	78.30	(455.53)	357.24	(367.12)	372.26	372.26
6	Finance Cost	99.37	66.79	63.13	305.54	250.87	323.39	390.59	390.59
7	Profit/(Loss) from ordinary activities after Finance Cost but before Exceptional Items [5-6]	(255.05)	(388.04)	15.17	(761.07)	106.37	(690.51)	(18.33)	(18.33)
8	Exceptional Items (Refer Note No.2)	51.20	7.83	9.83	73.32	60.11	73.45	46.89	46.89
9	Profit/(Loss) from Ordinary Activities before Tax [7-8]	(306.25)	(395.87)	5.54	(834.39)	46.26	(763.96)	(65.22)	(65.22)
10	Tax Expense								
	a) Current	(0.27)	-	1.38	(0.27)	9.53	(0.27)	(44.23)	(44.23)
	b) Deferred	(109.41)	(118.39)	(0.99)	(273.32)	5.76	(273.32)	(144.35)	(144.35)
	Total Tax Expense	(109.68)	(118.39)	0.39	(273.59)	15.29	(273.59)	(188.58)	(188.58)
11	Net Profit/(Loss) from Ordinary Activities after Tax [9-10]	(196.57)	(277.48)	5.15	(580.80)	30.97	(490.37)	123.36	123.36
12	Extraordinary Items (net of tax expenses Rs. 9.47 crores)	-	-	-	-	-	-	21.34	21.34
13	Net Profit/(Loss) for the period [11-12]	(196.57)	(277.48)	5.15	(580.80)	30.97	(490.37)	102.02	102.02
14	Share of Profit/(Loss) of Associates						(37.23)	(0.18)	(0.18)
15	Minority Interest						(527.60)	112.82	112.82
16	Net Profit/(Loss) for after Taxes, Minority Interest and Share of Profit/(Loss) of Associates [13+14-15]								
17	Paid up Equity Share Capital of Rs. 10/- each	627.37	627.37	622.37	627.37	622.37	627.37	622.37	622.37
18	Reserve excluding Revaluation Reserve				562.21	1,084.73	519.19	1,149.34	1,149.34
19	Paid up Debt Capital				427.51	462.50	427.51	462.50	462.50
20 a)	Earning per Share (before extraordinary items) of Rs.10 each								
	Basic EPS (Rs.) - Not Annualised	(3.14)	(4.43)	0.08	(6.95)	0.52	(8.42)	1.38	1.38
	Diluted EPS (Rs.) - Not Annualised	(3.13)	(4.41)	0.08	(6.92)	0.52	(8.39)	1.38	1.38
20 b)	Earning per Share (after extraordinary items) of Rs.10 each								
	Basic EPS (Rs.) - Not Annualised	(3.14)	(4.43)	0.08	(6.95)	0.52	(8.42)	1.90	1.90
	Diluted EPS (Rs.) - Not Annualised	(3.13)	(4.41)	0.08	(6.92)	0.52	(8.39)	1.89	1.89
21	Debt Redemption Reserve				196.57	196.57	196.57	196.57	196.57
22	Debt Equity Ratio				1.68	0.76	0.76		
23	Debt Service Coverage Ratio				-	-	-		
24	Interest Service Coverage Ratio				-	1.20	1.20		

48

PART - Selected Information for the year ended 31st March, 2014.

A Public Shareholding									
1 (a) Equity Shares:									
- Number of Shares	286,676,510	280,127,537	281,038,459	286,676,510	281,038,459	286,676,510	281,038,459	286,676,510	281,038,459
(b) B Equity Shares:									
- Number of Shares	28,386,542	28,386,542	28,386,542	28,386,542	28,386,542	28,386,542	28,386,542	28,386,542	28,386,542
- Percentage of Shareholding	54.08	54.08	54.08	54.08	54.08	54.08	54.08	54.08	54.08
2 Promoters & Promoters Group Shareholding									
(a) Equity Shares:									
(i) Pledged/Encumbered									
- No. of Shares	288,203,617	244,061,965	243,686,105	288,203,617	243,686,105	288,203,617	243,686,105	288,203,617	243,686,105
- Percentage of Shares (as % of the total shareholding of promoter & promoter group)	100.00	82.80	84.37	100.00	84.37	100.00	84.37	100.00	84.37
- Percentage of Shares (as % of the total share capital of the company)	50.13	42.45	42.76	50.13	42.76	50.13	42.76	50.13	42.76
(ii) Non-Encumbered									
- No. of Shares	-	50,690,625	45,155,563	-	45,155,563	-	45,155,563	-	45,155,563
- Percentage of Shares (as % of the total shareholding of promoter & promoter group)	-	17.20	15.63	-	15.63	-	15.63	-	15.63
- Percentage of Shares (as % of the total share capital of the company)	-	8.82	7.92	-	7.92	-	7.92	-	7.92
(b) B Equity Shares:									
(i) Pledged/Encumbered									
- No. of Shares	24,101,468	16,942,741	19,375,913	24,101,468	19,375,913	24,101,468	19,375,913	24,101,468	19,375,913
- Percentage of Shares (as % of the total shareholding of promoter & promoter group)	100.00	70.30	80.39	100.00	80.39	100.00	80.39	100.00	80.39
- Percentage of Shares (as % of the total share capital of the company)	45.92	32.28	36.92	45.92	36.92	45.92	36.92	45.92	36.92
(ii) Non-Encumbered									
- No. of Shares	-	7,158,727	4,725,555	-	4,725,555	-	4,725,555	-	4,725,555
- Percentage of Shares (as % of the total shareholding of promoter & promoter group)	-	29.70	19.61	-	19.61	-	19.61	-	19.61
- Percentage of Shares (as % of the total share capital of the company)	-	13.64	9.00	-	9.00	-	9.00	-	9.00

PARTICULARS		3 months ended 31/03/2014
B. INVESTORS COMPLAINT		
At the beginning of the quarter	Nil	
Received during the quarter	3	
Disposed off during the quarter	3	
Pending at the end of the quarter	Nil	

48

Statement of Assets & Liabilities

(Rs. in Crores)

Particulars	STANDALONE		CONSOLIDATED	
	(AUDITED)		(AUDITED)	
	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2013
A EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	627.37	622.37	627.37	622.37
Reserves & Surplus	562.21	1,084.73	519.19	1,149.34
Money received against Share Warrants	10.40	13.04	10.40	13.04
Minority Interest				1,379.59
Non-Current Liabilities				
Long Term Borrowings	1,963.91	952.81	1,963.91	2,683.30
Long Term Provisions	8.39	9.08	8.39	9.07
Current Liabilities				
Short Term Borrowings	749.47	813.53	749.47	1,095.45
Trade Payables	209.65	749.99	209.64	1,133.11
Other Current Liabilities	278.10	580.21	278.10	1,232.76
Short Term Provisions	9.65	43.11	9.65	128.07
Total:	4,419.15	4,868.87	4,376.12	9,426.10
B ASSETS				
Non-Current Assets				
Fixed Assets	1,082.06	1,104.25	1,392.93	5,608.61
Non-Current Investment	920.03	818.39	566.01	387.70
Deferred Tax Assets/(Liabilities) (net)	112.34	(160.98)	112.34	27.72
Long Term Loan & Advances	72.79	288.20	72.80	255.60
Current Assets				
Inventories	977.52	1,731.46	977.52	1,826.06
Trade Receivables	476.62	562.71	476.62	701.87
Cash & Bank Balances	33.18	98.68	33.27	115.20
Short Term Loan & Advances	744.61	446.16	744.63	503.32
Total:	4,419.15	4,868.87	4,376.12	9,426.10

48

Segment wise Revenue, Results and Capital Employed
for the Year ended 31st March, 2014

(Rs. in Crores)

SI No.	PARTICULARS	STANDALONE			CONSOLIDATED		
		QUARTER ENDED		YEAR ENDED (AUDITED)	YEAR ENDED		(AUDITED)
		31.03.2014	31.12.2013		31.03.2014	31.03.2013	
1	Segment Revenue (Net Sales/Income from segment)						
a	Coal & Coke	64.31	172.33	310.52	832.75	1495.74	1495.73
b	Steel	25.13	21.55	17.55	99.68	217.63	217.63
c	Mining	-	(0.02)	(0.09)	(0.05)	(0.33)	(617.59)
	Less: Inter Segment Revenue						
	Net Sales / Income From Operations	89.44	193.86	327.98	932.38	1713.04	2029.40
2	Segment Results Profit/(Loss) before Tax & Interest						
a	Coal & Coke	(401.44)	(311.97)	84.99	(781.16)	305.28	342.39
b	Steel	(10.08)	(10.11)	(16.68)	(30.56)	(17.01)	(17.01)
c	Mining						(28.62)
	Total	(411.52)	(322.08)	68.31	(811.72)	288.27	296.76
	Less:- Finance Cost	99.37	66.79	63.13	305.54	250.87	371.93
	Add:- Other Un-allocable Income Net of Un-allocable Expenditure	204.64	(7.00)	0.36	282.87	8.86	9.95
	Total Profit/(Loss) before Extraordinary Items & Tax	(306.25)	(395.87)	5.54	(834.39)	46.26	(65.22)
	Less: Extraordinary Items	-	-	-	-	-	30.81
	Total Profit/(Loss) before Tax	(306.25)	(395.87)	5.54	(834.39)	46.26	(96.03)
3	Capital Employed						
a	Coal & Coke (including captive windmills of Rs. 5.65 crores)	2,108.55	2,505.39	2,538.52	2,108.55	2,538.52	2,536.08
b	Steel (including captive windmills of Rs. 318.12 crores)	418.19	427.58	439.48	418.19	439.48	439.48
c	Mining						4,216.88
d	Unallocated/Others	1,295.32	1,082.60	1,032.56	1,295.32	1,032.56	584.89
	Total	3822.06	4015.57	4010.56	3822.06	4010.56	7777.33

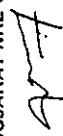
77

NOTES:

- 1 The Standalone Audited Financial Statements of the company for the financial year 2013-14 were reviewed by the Audit Committee at its meeting held on 25th May 2014 and the same were adopted by the Board of Directors at its meeting held on the same date. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the year to date figures up to the third quarter of the financial year.
- 2 Exceptional items represent net foreign exchange loss, including on foreign currency borrowings, due to unusual diminution in the value of Rupee as against the US Dollar during the period.
- 3 The Company was referred to the Corporate Debt Restructuring (CDR) Cell on 24th October 2013 for restructuring of its debts. Pursuant to that a Corporate Debt Restructuring (CDR) Package has been approved by the CDR empowered Group (CDR EG) at its meeting held on 14th March 2014 with cut off date as 1st August 2013. As on date, 13 out of 15 CDR lenders have conveyed the final sanction of the package. The accounts have been stated by giving effect of the CDR package terms.
- 4 Pending approval & implementation of the CDR package, the company was facing shortage of working capital, the operations of the company suffered resulting in lower production & high operating losses with diminution in the value of stocks
- 5 a) Consolidated Financial Result for the 31st March 2013 has been re-casted incorporating Audited Accounts of Gujarat NRE Ltd., Wonga Coal Pty Limited, Gujarat NRE Coal (NSW) Pty Limited and Consolidated Audited Accounts of Gujarat NRE Coking Coal Limited (i.e. consolidated for Gujarat NRE Coking Coal Limited, Gujarat NRE Wonga Pty Limited, Gujarat NRE Resources NL, South Bulli Holdings Pty Limited & Gujarat NRE Properties Pty Limited, which were lodged with Australian Securities Exchange(ASX) on 15th August, 2013).
b) On account of dilution in the Company's share holding in the Australian Subsidiaries, i.e. Gujarat NRE Limited, Gujarat NRE India Pty Limited, Wonga Coal Pty Limited, Gujarat NRE Coal (NWS) Pty Limited, Gujarat NRE Coking Coal Limited, Gujarat NRE Wonga Pty Limited, Gujarat NRE Resources NL, South Bulli Holdings Pty Limited & Gujarat NRE Properties Pty Limited, all of the Australian Subsidiaries ceases to be a subsidiary/ sub subsidiary of Gujarat NRE Coke Limited during the year. Gujarat NRE Limited continues as an associate of the company as on the reporting date
c) For the purpose of giving effect of deconsolidation, the Consolidated Audited accounts of Gujarat NRE Coking Coal Limited as on 31.03.2013 (i.e. consolidated for Gujarat NRE Coking Coal Limited, Gujarat NRE Wonga Pty Limited, Gujarat NRE Resources NL, South Bulli Holdings Pty Limited & Gujarat NRE Properties Pty Limited), which were lodged with ASX on 15th August, 2013 have been used. As far as the other Australian Companies are concerned, i.e. Gujarat NRE Limited, Gujarat NRE India Pty Limited, Wonga Coal Pty Limited, Gujarat NRE Coal (NWS) Pty Limited, the management approved accounts for the relevant dates have been considered.
- 6 a) The Company has issued 200, 5.5% Unsecured Foreign Currency Convertible Bonds (FCCB) of US\$ 100,000 each aggregating US\$ 20 Million on 29th October 2012. These bonds are convertible into equity shares of the Company at the option of bondholders at a price of Rs. 22.50 per share. If not converted then they are redeemable on 30th October 2017.
b) Out of the above FCCBs of Rs. 108.78 crores, a sum of Rs.0.05 crores remain unutilized till the end of March 2014.
- 7 In the above statement, paid up Equity Share Capital & Earning Per Share include both "Equity Shares" & "B Equity Shares" since both class of shares are pari-passu in all respect except for voting rights.
- 8 Formula used for computation of Ratio:
- Debt Equity Ratio: Term Debt / Equity
- Debt Service Coverage Ratio: Earning before Interest & Tax/ (Interest+Principal Repayment).
- Interest Service Coverage Ratio: Earning before Interest & Tax/ Interest Expenses.
- 9 As the Company's holdings in all its Australian Subsidiaries has diluted during the year, Consolidated Financial Result of the Current Year are as such not Comparable with that of the Previous Year.
- 10 Figures for the previous periods/year are re-grouped/re-arranged/re-classified, wherever considered necessary, to conform to the figures of the current period/year.

Place : Kolkata
Dated : 25th May 2014.

By order of the Board
For GUJARAT NRE COKE LIMITED



A K Jagatramka
Chairman & Managing Director



N. C. Banerjee & Co.

CHARTERED ACCOUNTANTS

"COMMERCE HOUSE"
2, Ganesh Chandra Avenue
1st Floor, Room No. 9
Kolkata - 700 013

INDEPENDENT AUDITORS' REPORT

Date

To the members of Gujarat NRE Coke Limited .

Report on the Financial Statements

We have audited the accompanying financial statements of Gujarat NRE Coke Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards, notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

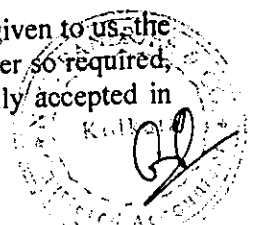
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:



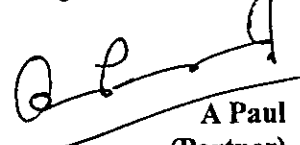
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is considered due and payable by the Company as on 31.03.2014.



For N.C.Banerjee & Co.
Chartered Accountants
 (Firm's Registration No. : 302081E)


A Paul
(Partner)
Membership No. 06490

Place : Kolkata
Dated : 25th May, 2014

Annexure to Independent Auditor's Report

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) We were informed that the Company has a phased programme of physical verification of all its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, fixed assets were physically verified by management during the period under review and no material discrepancy was noticed on such verification.
- (c) Fixed assets disposed off during the year under review were not substantial and the going concern status of the company is not affected.
- (ii) (a) During the year inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. We were explained that the discrepancies noticed during the physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted or taken loans, Secured or Unsecured, to/from the companies, firm or other parties covered in the Register maintained under section 301 of the Companies Act, 1956, consequently sub clauses (a) to (g) of clause (iii) of paragraph 4 of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. No major continuing weakness in internal control system was observed.
- (v) (a) According to the information and explanations given to us, we are of the opinion that particulars of all the transactions made in pursuance of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding value of rupees five lacs in respect of each party during the year have been made at prices which appear to be reasonable having regard to prevailing market prices at the relevant time.



- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business but it has to be further strengthened.
- (viii) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not carried out a detailed examination of such records, nor we are required to do so, with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Wealth Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues except Income Tax, Sales Tax and Service Tax where the amount has not been regularly deposited with the appropriate authorities and there has been delays in a large number of cases.

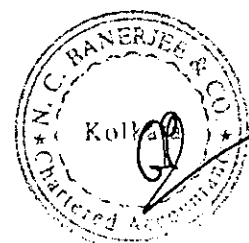
The Central Government has not notified the date of levy and collection of cess under Rehabilitation & Revival Fund as per section 441 A of the Companies act, 1956.

(b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty and Excise duty were in arrear as at 31st March, 2014, for a period of more than six months from the date those became payable, except for the Sales Tax/VAT/CST and Income Tax as given below-

Name of the statute	Nature of Dues	Amount (Rs./Crores)
Gujarat Value Added Tax Act, 2003	Sales Tax/VAT/CST	11.18
Income Tax Act, 1961	Income Tax	5.92

(c) According to the information and explanations given to us and the records of the company examined by us, there were no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities other than disputed liabilities mentioned below:-

Name of the statute	Nature of Dues	Amount (Rs./Crores)	Period to which the amount Relates	Forum where disputes are pending
Income Tax Act, 1961	Regular Assessment	1.86	2006-07 2010-11	Commissioner of Income Tax (Appeals), Kolkata
Finance Act, 1994 (Act 32 of 1994)- Chapter V & VA	Service Tax	3.39	2007-08 to 2011-12	Custom, Excise and Service Tax Appellate Tribunal, Ahmedabad, Commissioner (Appeals), Cental Excise, Rajkot
The Customs Act, 1962	Custom Duty	12.50	2004, 2005, 2007, 2008, 2010	Custom, Excise and Service Tax Appellate Tribunal, Ahmedabad.



- (x) The Company does not have accumulated losses more than 50% of the networth of the Company as at 31st March, 2014. The Company has incurred cash losses during the year under review, there was no cash losses in the immediately preceding financial year.
- (xi) The Company has defaulted in repayment of dues to banks and financial institutions in respect of Letters of Credit, Buyer's Credit, Bills Discounting, Term Loan Installments, NCD installments and Interest. However during the year, the CDR proposal of the Company has been approved by the CDR Empowered Group (CDR EG) at its meeting held on 14th March 2014. As per approved CDR package, defaults during the year with CDR lenders have been regularised, except the following defaults which existing/continuing as on the Balance sheet date.

Particulars	Amount (Rs. in Crs)				
	Delays up to 30 days	Delays 31 – 90 days	Delays 91 – 180 days	Delays beyond 180 days	Total Amount
Installments/ Overdrawing	0.25	14.12	0.28	-	14.65
Interest liabilities	3.70	9.63	1.93	9.96	25.22

- (xii) According to the informations and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the order are not applicable to the company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. The investments have been held by the company in its own name except to the extent of exemption, if any, granted under section 49 of the Companies Act, 1956.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions, on the basis of which the Company has given guarantees for loans taken by the erstwhile subsidiary companies from banks or financial institutions, are not as such prima facie prejudicial to the interests of the Company.
- (xvi) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the term loans were applied for the purpose for which such loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis were used for long term investment.
- (xviii) The company, during the year, has allotted equity shares on preferential basis consequent upon conversion of Share warrants allotted to a company covered in Register maintained under Section 301 of the Companies Act, 1956. The Price at which these shares have been issued has been determined as per Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000, which, in our opinion, is not prejudicial to the interest of the Company.
- (xix) The company has not issued any debentures or bonds during the year under review.



- (xx) The company has not raised any money by way of public issues during the year under review.
- (xxi) Based upon the audit procedures followed for the purpose of reporting on the true and fair view of the financial statements and as per the information and explanations given by management, no fraud on or by the Company has been noticed or reported during the year.



For N.C.Banerjee & Co.
Chartered Accountants
(Firm's Registration No. : 302081E)

A handwritten signature in black ink, appearing to be "A Paul", written over a horizontal line.

A Paul
(Partner)
Membership No. 06490

Place : Kolkata
Dated : 25th May, 2014