

## **BSL - SUBSIDIARY COMPANIES**

<b>S. NO.</b>	<b>Balance Sheet Subsidiary Companies</b>
1	Bhushan Steel (Orissa) Limited
2	Bhushan Steel (South) Limited
3	Bhushan Steel Madhya Bharat Limited
4	Bhushan Steel (Australia) Pty Limited
5	Bowen Energy Pty Limited
6	Golden Country Resources (Australia) Pty Limited
7	Bowen Coal Pty Limited
8	Kondor Holdings Pty Limited
9	Bowen Consolidated Pty Limited

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of Bhushan Steel (Orissa) Limited**  
**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **Bhushan Steel (Orissa) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Standalone Financial Statements*

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as on 31<sup>st</sup> March, 2015, and its losses and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and 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 aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015

## ANNEXURE

(Referred to in paragraph 1 of our report of even date)

- i) In Respect of its Fixed Assets :
  - a) Based on our scrutiny of the company's books of account and other records and according to information & explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets, physical verification of fixed assets and any substantial sale thereof does not arise since the company has no fixed assets as on 31<sup>st</sup> March, 2015 not at any time during the year ended 31<sup>st</sup> March, 2015.
- ii) In Respect of its Inventory :
  - a) As the Company has not purchased/sold goods during the year ended 31.03.2015 and there are no stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records does not arise.
- iii) In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- iv) Having regard to the nature of the company's business and based on our scrutiny of the company's records and the information and explanations received by us, we report that the company's activities do not include sale of goods or services. Further, the company does not have any fixed asset as on 31<sup>st</sup> March, 2015 nor at any time during the year ended 31<sup>st</sup> March, 2015. During the course of our Audit, no major weakness has been noticed in the internal controls system.
- v) To the best of our knowledge, the company has not accepted any deposits covered under section 73 or any other provisions of the Companies Act, 2013.
- vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records for the company under sub-section (1) of Section 148 of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues :
  - a) The Company has generally been regular in depositing undisputed dues including Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax., Wealth Tax, Duty of Custom, Duty of Excise, Cess, Service Tax and any other statutory dues applicable to it with the appropriate authorities and there were no undisputed dues in arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.
  - b) According to the information and explanations given to us, there were no disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.
  - c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund.
- viii) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and the company has incurred cash losses in the current financial year. However no cash losses in the immediately preceding financial year.
- ix) According to the information & explanations given to us and on the examination of books of account, we are of the opinion that the Company has not taken any loan from banks and financial institutions or debenture holders, the said clause is not applicable.
- x) To the best of our knowledge and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions.

- xi) According to information & explanations given to us as the Company has not taken any term loans during the year, the said clause is not applicable.
- xii) Based upon the audit procedure performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015

**BHUSHAN STEEL (ORISSA) LTD  
BALANCE SHEET AS AT 31ST MARCH 2015**

(Figures in Rupees)

	NOTE NO	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	2	500,000	500,000
b) Reserves and Surplus	3	(39,546)	(3,457)
		<u>460,454</u>	<u>496,543</u>
<b>2 Current Liabilities</b>			
a) Trade Payables	4	35,708	35,122
b) Short Term Provision	5	-	482
		<u>35,708</u>	<u>35,604</u>
<b>Total</b>		<u><u>496,162</u></u>	<u><u>532,147</u></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Deferred Tax Assets(Net)	9	-	1,545
b) Long Term Loans and Advances	6	-	1,293
		-	<u>2,838</u>
<b>2 Current Assets</b>			
a) Cash and Bank Balances	7	496,162	529,309
<b>Total</b>		<u><u>496,162</u></u>	<u><u>532,147</u></u>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	9-15		

As per our Report of even date attached

For **MEHRA GOEL & CO.**  
Chartered Accountants  
(Firm Registration No. 000517N)

(R. K. MEHRA)  
PARTNER  
M. No. 6102

(B B SINGAL)  
DIRECTOR

(PREM KUMAR AGGARWAL)  
DIRECTOR

PLACE: NEW DELHI  
DATE: 25th May, 2015

**BHUSHAN STEEL (ORISSA) LTD**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

Particulars	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income		-	23,500
<b>TOTAL REVENUE</b>		-	<b>23,500</b>
<b>EXPENSES</b>			
Other Expenses	8	33,253	20,974
<b>TOTAL EXPENSES</b>		<b>33,253</b>	<b>20,974</b>
<b>Profit Before Tax</b>		<b>(33,253)</b>	<b>2,526</b>
Less:-Tax Expense			
-Current Tax		-	482
-Mat Credit utilised / (Available for Set-off)		1,293	(482)
-Income tax paid for earlier years		(2)	-
-Deffered Tax		1,545	1,545
<b>Profit After Tax</b>		<b>(36,089)</b>	<b>981</b>
Basic/Diluted Earning Per Share (Rs.)	13	(0.72)	0.02
Face Value of Equity Shares (Rs.)		10	10
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Other Notes on Financial Statements</b>	<b>9-15</b>		

As per our Report of even date attached

For **MEHRA GOEL & CO.**  
Chartered Accountants  
(Firm Registration No. 000517N)

**(R. K. MEHRA)**  
PARTNER  
M. No. 6102

**(B B SINGAL)**  
DIRECTOR

**(PREM KUMAR AGGARWAL)**  
DIRECTOR

PLACE: NEW DELHI  
DATE: 25th May, 2015

**BHUSHAN STEEL (ORISSA) LTD**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Figures in Rupees)  
**Year Ended**  
**31.03.2014**

**(A) CASH FLOW FROM OPERATING ACTIVITIES :**

NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	(33,253)	2,526
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(33,253)</b>	<b>2,526</b>
ADJUSTMENTS FOR :		
TRADE PAYABLES & OTHER LIABILITIES	586	2
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(32,667)</b>	<b>2,528</b>
LESS: DIRECT TAXES PAID	(480)	(811)

NET CASH FLOW FROM OPERATING ACTIVITIES (A)

**(33,147)**

**1,717**

**(B) CASH FLOW FROM INVESTING ACTIVITIES :**

NET CASH USED IN INVESTING ACTIVITIES (B)

-

-

**(C) CASH FLOW FROM FINANCING ACTIVITIES :**

PROCEEDS FROM SHARE CAPITAL

-

-

NET CASH USED IN FINANCING ACTIVITIES (C)

-

-

Net increase in cash and cash equivalents (A+B+C)

**(33,147)**

**1,717**

Opening Balances of Cash and Cash Equivalents

529,309

527,592

Closing Balances of Cash and Cash Equivalents

496,162

529,309

Note:-

Figures in bracket represent the Cash Outflows

As per our report of even date attached  
**For MEHRA GOEL & CO.**  
 CHARTERED ACCOUNTANTS  
 (Firm Registration No. 000517N)

**(R. K. MEHRA)**  
 PARTNER  
 M. No. 6102  
 PLACE: NEW DELHI  
 DATE: 25th May, 2015

**(B B SINGAL)**  
 DIRECTOR

**(PREM KUMAR AGGARWAL)**  
 DIRECTOR



**BHUSHAN STEEL (ORISSA) LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> March 2015**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

Financial Statements are prepared under historical cost convention, on accrual basis and in accordance with applicable accounting standards in India and relevant presentational requirements of the Companies Act, 2013.

**2) USE OF ESTIMATES**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

**3) REVENUE RECOGNITION**

- (i) Interest income is recognized on accrual basis.
- (iii) Dividend on investments is accounted for as and when the right to receive the same is established.

**4) INVESTMENTS**

Current investments are stated at the lower of cost and the fair/quoted value. Long term investments are stated at cost less any provision for permanent diminution in value.

**5) RETIREMENT BENEFITS**

Provision of retirement benefits is made as and when the employees become entitled to such benefits.

**6) TAXATION**

- a) The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.
- b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Deferred tax assets are not recognized on unabsorbed depreciation & carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized and are reviewed at each balance sheet date to reassure the realization.
- d) Deferred tax assets & liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.
- e) Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the company intends to settle the assets and liabilities on a net basis.

**BHUSHAN STEEL (ORISSA) LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Figures in Rupees)

	As at 31.03.2015	As at 31.03.2014		
<b>2 SHARE CAPITAL</b>				
<b>Authorised</b>				
1,00,000 (Pr. Year 1,00,000) Equity Shares of Rs. 10/-each	1,000,000	1,000,000		
	<u>1,000,000</u>	<u>1,000,000</u>		
<b>Issued, Subscribed &amp; Paid Up</b>				
50,000 (Pr. Year 50,000) Equity Shares of Rs. 10/- each	500,000	500,000		
	<u>500,000</u>	<u>500,000</u>		
<b>a) The Reconciliation of the number of shares outstanding and the amount of share capital:</b>				
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning / end of the year	50000	500,000	50000	500,000
<b>b) Shares in the company held by each shareholder holding more than 5 percent shares:</b>				
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% Of Shares</b>	<b>No. of Shares</b>	<b>% Of Shares</b>
<b>EQUITY SHARES</b>				
Bhushan Steel Limited	50000	100.00	50000	100.00
(Includes six shares held by other persons as nominee of the Holding Company)				
<b>c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:</b>				
	No. of share		No. of share	
Holding Company	50000		50000	
<b>d) The company has one class of equity share having a par value of Rs.10 each. Each shareholder is eligible for one vote for every share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, in proportion to their shareholding.</b>				
<b>3 RESERVES AND SURPLUS</b>				
<b>Surplus</b>				
Opening Balance	(3,457)		(4,438)	
Net Profit For the Current Year	(36,089)		981	
	<u>(39,546)</u>		<u>(3,457)</u>	
<b>4 TRADE PAYABLES</b>				
Trade Payables	35,708		35,122	
	<u>35,708</u>		<u>35,122</u>	
<b>5 SHORT TERM PROVISIONS</b>				
Provision for Income Tax (Net)	-		482	
	<u>-</u>		<u>482</u>	
<b>6 LONG TERM LOANS AND ADVANCES</b>				
(Unsecured, considered good)				
MAT Recoverable	-		1,293	
	<u>-</u>		<u>1,293</u>	
<b>7 CASH &amp; BANK BALANCES</b>				
<b>Cash &amp; Cash Equivalents</b>				
a) Balances with Banks				
- In Current Account	394,942		428,089	
b) Cash in Hand	101,220		101,220	
	<u>496,162</u>		<u>529,309</u>	

BHUSHAN STEEL (ORISSA) LTD  
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Figures in Rupees)

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>8 OTHER EXPENSES</b>		
Printing & Stationery	400	-
Rates & Taxes	8,800	900
Legal & Professional Charges	5,199	1,220
Accounting Charges	2,000	2,000
Auditors' Remuneration		
-Audit Fees	16,854	16,854
	<u>33,253</u>	<u>20,974</u>

**BHUSHAN STEEL (ORISSA) LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> March 2015**

**9. Deferred Tax Assets(Net)**

The break up of deferred tax asset and liabilities in major components arising on account of timing differences are as below:

(Figures In Rupees)

	As At 31.03.2015	As At 31.03.2014
Deferred Tax Assets	Nil	1545
-Relating to Preliminary Expense		

10. There is no employee, hence no provision is required for retirement benefits.

11. To the extent of information available with the company, no amount is due under Micro, Small and Medium Enterprises Development Act 2006.

**12. Related Parties (As identified by the management) are classified as:**

Holding company –	Bhushan Steel Ltd. India
Fellow Subsidiaries	Bhushan Steel Australia Pty Ltd
	Bowen Energy Ltd.
	Bowen Coal Pty Ltd
	Bowen Consolidated Pty Ltd.
	Kondor Holding Pty Ltd.
	Golden Country Resources (Australia) Pty Ltd
	Bhushan Steel (South) Ltd
	Bhushan Steel Bengal Ltd*
	Bhushan Steel Madhya Bharat Ltd
	Bhushan Capital & Credit Services Pvt. Ltd.*
	Jawahar Credit & Holding Pvt. Ltd.*
	Marsh Capital Services Pvt. Ltd.*
	Paragon Securities Pvt. Ltd.*
	Parakeet Finvest Pvt. Ltd.*
	Perpetual Securities Ltd.*

\*Upto 29.09.2013

**Note:** There is no Related party transactions as identified by the company and relied upon by the auditors.

**13. Earning Per Share**

	Year Ended 31.03.2015	Year Ended 31.03.2014
Weighted Average No. of Equity Shares (Nos.)	50000	50000
Profit After Tax (Rs.)	(36,089)	981
Basic / Diluted Earnings Per Share (Rs.)	(0.72)	0.02

14. Previous Year's figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

15. Other additional information pursuant to the provisions of Para 5 of part II of Schedule-III to the Companies Act, 2013 are not applicable/nil.

**FOR MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
 (Firm Registration No 000517N)

R. K. MEHRA  
 PARTNER  
 M.NO: 6102  
 PLACE: NEW DELHI  
 DATED : 25<sup>th</sup> May, 2015

B.B.SINGAL  
 DIRECTOR

PREM KUMAR AGGARWAL  
 DIRECTOR

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of Bhushan Steel (South) Limited**  
**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **Bhushan Steel (South) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Standalone Financial Statements*

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as on 31<sup>st</sup> March, 2015, and its losses and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and 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 aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015

## ANNEXURE

(Referred to in paragraph I of our report of even date)

i) In Respect of its Fixed Assets :

Based on our scrutiny of the company's books of account and other records and according to information & explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets, physical verification of fixed assets and any substantial sale thereof does not arise since the company has no fixed assets as on 31<sup>st</sup> March, 2015 not at any time during the year ended 31<sup>st</sup> March, 2015.

ii) In Respect of its Inventory :

As the company has not purchased/sold goods during the year ended 31.03.2015 and there are no stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records does not arise.

iii) In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.

iv) Having regard to the nature of the company's business and based on our scrutiny of the company's records and the information and explanations received by us, we report that the company's activities do not include sale of goods or services. Further, the company does not have any fixed asset as on 31<sup>st</sup> March, 2015 nor at any time during the year ended 31<sup>st</sup> March, 2015. During the course of our Audit, no major weakness has been noticed in the internal controls system.

v) To the best of our knowledge, the company has not accepted any deposits covered under section 73 or any other provisions of the Companies Act, 2013.

vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records for the company under sub-section (1) of Section 148 of the Companies Act, 2013.

vii) According to the information and explanations given to us, in respect of statutory dues :

a) The Company has generally been regular in depositing undisputed dues including Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax., Wealth Tax, Duty of Custom, Duty of Excise, Cess, Service Tax and any other statutory dues applicable to it with the appropriate authorities and there were no undisputed dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.

b) According to the information and explanations given to us, there were no disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.

c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund.

viii) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and the company has incurred cash losses in the current financial year and in the immediately preceding financial year.

ix) According to the information & explanations given to us and on the examination of books of account, we are of the opinion that the Company has not taken any loan from banks and financial institutions or debenture holders, the said clause is not applicable.

x) To the best of our knowledge and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions.

- xii) According to information & explanations given to us as the Company has not taken any term loans during the year, the said clause is not applicable.
- xiii) Based upon the audit procedure performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015



**BHUSHAN STEEL (SOUTH) LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2015**

(Figures in Rupees)

	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	2	10,500,000	10,500,000
b) Reserves and Surplus	3	(2,926,511)	(2,875,376)
		<u>7,573,489</u>	<u>7,624,624</u>
<b>2 Current Liabilities</b>			
a) Trade Payables	4	35,708	33,708
b) Other Current Liabilities	5	7,546	7,800
c) Short Term Provisions	6	-	386
		<u>43,254</u>	<u>41,894</u>
<b>Total</b>		<u><u>7,616,743</u></u>	<u><u>7,666,518</u></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Long Term Loans and Advances	7	7,500,000	244
b) Deferred Tax Assets(Net)	10	-	1,545
		<u>7,500,000</u>	<u>1,789</u>
<b>2 Current Assets</b>			
a) Cash and Bank Balances	8	116,743	7,664,729
<b>Total</b>		<u><u>7,616,743</u></u>	<u><u>7,666,518</u></u>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	10-17		

As per our Report of even date attached

For **MEHRA GOEL & CO.**  
Chartered Accountants  
(Firm Registration No. 000517N)

**(R. K. MEHRA)**  
PARTNER  
M. No. 6102

**(B. B. SINGAL)**  
DIRECTOR

**(PREM KUMAR AGGARWAL)**  
DIRECTOR

PLACE: NEW DELHI  
DATE: 25th May, 2015

**BHUSHAN STEEL (SOUTH) LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

Particulars	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income		-	32,500
<b>TOTAL REVENUE</b>			<b>32,500</b>
<b>EXPENSES</b>			
Other Expenses	9	49,732	2,758,815
<b>TOTAL EXPENSES</b>		<b>49,732</b>	<b>2,758,815</b>
<b>Profit / (Loss) Before Tax</b>		<b>(49,732)</b>	<b>(2,726,315)</b>
Less:-Tax Expense			
-Current Tax		-	386
-Mat Credit utilised / (Available for Set-off)		244	-
-Excess Provision of Income Tax Written back		(386)	-
-Deffered Tax		1,545	1,545
<b>Profit / (Loss) After Tax</b>		<b>(51,135)</b>	<b>(2,728,246)</b>
Basic/ Diluted Earning Per Share (Rs.)	15	(1.02)	(54.56)
Face Value of Equity Shares (Rs.)		10	10
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	10-17		

As per our Report of even date attached

For **MEHRA GOEL & CO.**  
Chartered Accountants  
(Firm Registration No. 000517N)

(R. K. MEHRA)  
PARTNER  
M. No. 6102

(B. B. SINGAL)  
DIRECTOR

(PREM KUMAR AGGARWAL)  
DIRECTOR

PLACE: NEW DELHI  
DATE: 25th May, 2015

**BHUSHAN STEEL (SOUTH) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Figures in Rupees)

	Year Ended 31-Mar-15	Year Ended 31-Mar-14
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	(49,732)	(2,726,315)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(49,732)</b>	<b>(2,726,315)</b>
ADJUSTMENTS FOR :		
(INCREASE)/DECREASE IN LOANS AND ADVANCES	(7,500,000)	298,490,000
(INCREASE)/DECREASE IN TRADE PAYABLES & OTHER LIABILITIES	1,746	(996,030)
CAPITAL ADVANCES WRITTEN OFF	-	1,601,000
CAPITAL WORK IN PROGRESS WRITTEN OFF	-	1,123,765
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(7,547,986)</b>	<b>297,492,420</b>
LESS: DIRECT TAXES PAID	-	(244)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(7,547,986)</b>	<b>297,492,176</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
CAPITAL WORK IN PROGRESS	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>-</b>	<b>-</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
PROCEEDS FROM PREFERENCE SHARE CAPITAL	-	10,000,000
REDEMPTION OF PREFERENCE SHARE CAPITAL INCLUDING SHARE PREMIUM	-	(300,000,000)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>(290,000,000)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(7,547,986)</b>	<b>7,492,176</b>
Opening Balances of Cash and Cash Equivalents	7,664,729	172,553
Closing Balances of Cash and Cash Equivalents	116,743	7,664,729

Note:-

Figures in bracket represent the Cash Outflows

As per our report of even date attached

For MEHRA GOEL & CO.  
 CHARTERED ACCOUNTANTS  
 (Firm Registration No. 000517N)

(R. K. MEHRA)  
 PARTNER  
 M. No. 6102  
 PLACE: NEW DELHI  
 DATE: 25th May, 2015

(B. B. SINGAL)  
 DIRECTOR

(PREM KUMAR AGGARWAL)  
 DIRECTOR

**BHUSHAN STEEL (SOUTH) LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2015**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

Financial Statements are prepared under historical cost convention, on accrual basis and in accordance with applicable accounting standards in India and relevant presentational requirements of the Companies Act, 2013.

**2) USE OF ESTIMATES**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

**3) REVENUE RECOGNITION**

- (i) Interest income is recognized on accrual basis.
- (iii) Dividend on investments is accounted for as and when the right to receive the same is established.

**4) FIXED ASSETS**

Fixed Assets are stated at cost less accumulated depreciation. All costs including borrowing costs till commencement of commercial production and adjustment arising from exchange rate variations relating to borrowing attributable to fixed assets are capitalised. Machinery spares that can be used only in connection with an item of fixed asset and their use is expected to be irregular are capitalised. Replacement of such spares is charged to revenue.

**5) INVESTMENTS**

Current investments are stated at the lower of cost and the fair/quoted value. Long term investments are stated at cost less any provision for permanent diminution in value.

**6) RETIREMENT BENEFITS**

Provision of retirement benefits is made as and when the employees become entitled to such benefits.

**7) TAXATION**

- a) The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.
- b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c) Deferred tax assets are not recognized on unabsorbed depreciation & carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized and are reviewed at each balance sheet date to reassure the realization.
- d) Deferred tax assets & liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.
- e) Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the company intends to settle the assets and liabilities on a net basis.

**BHUSHAN STEEL (SOUTH) LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

	As at 31.03.2015	As at 31.03.2014
<b>2 SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,000 Equity Shares (Pr. Year 1,00,000) of Rs. 10/- each	1,000,000	1,000,000
10,00,000 (Pr. Year 10,00,000) 10% Non Cumulative Redeemable Preference Shares of Rs 10/- each	10,000,000	10,000,000
	<u>11,000,000</u>	<u>11,000,000</u>
<b>Issued, Subscribed &amp; Paid Up</b>		
50,000 Equity Shares ( Pr. Year 50,000) of Rs. 10/- each	500,000	500,000
10,00,000 (Pr. Year 10,00,000) 10% Non Cumulative Redeemable Preference Shares of Rs 10/- each	10,000,000	10,000,000
	<u>10,500,000</u>	<u>10,500,000</u>

a) The Reconciliation of the number of shares outstanding and the amount of share capital:

	No. of Shares	Amount	No. of Shares	Amount
<b>PREFERENCE SHARES</b>				
Number of shares at the beginning	1000000	10,000,000	1000000	10,000,000
Add shares allotted during the year	-	-	1000000	10,000,000
Less shares redeem during the year	-	-	1000000	10,000,000
Number of shares at the end	<u>1000000</u>	<u>10,000,000</u>	<u>1000000</u>	<u>10,000,000</u>

b) Shares in the company held by each shareholder holding more than 5 percent shares:

Name of Shareholder	No. of Shares	% of Shares	No. of Shares	% of Shares
<b>EQUITY SHARES</b>				
Bhushan Steel Limited (Includes six shares held by other persons as nominee of the Holding Company)	50000	100.00	50000	100.00
<b>PREFERENCE SHARES</b>				
Bhushan Energy Limited	500000	50.00	500000	50.00
Bhushan Infrastructure Private Limited	500000	50.00	500000	50.00

c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	No. of share	No. of share
<b>EQUITY SHARE</b>		
Holding Company	50000	50000
<b>PREFERENCE SHARE</b>		
Associate of Holding Company	500000	500000

d) The company has one class of equity share having a par value of Rs. 10 each. Each shareholder is eligible for one vote for every share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after the distribution of all preferential amounts, in proportion to their shareholding.

e) The holder of 10% Non Cumulative Redeemable Preference Shares and the Board / Company has an option to redeem the Preference Shares at any time within ten years from the date of allotment provided one month notice showing the intention regarding the redemption of Preference Share is given. The said Preference Shares are non convertible

**3 RESERVE AND SURPLUS**

**Securities Premium Reserve**

Opening Balance	-	290,000,000
Addition during the year	-	-
Less utilised on redemption of preference shares	-	290,000,000
	<u>-</u>	<u>-</u>

**Surplus**

Opening Balance	(2,875,376)	(147,130)
Net Profit / (Loss) For the Current Year	(51,135)	(2,728,246)
	<u>(2,926,511)</u>	<u>(2,875,376)</u>
	<u>(2,926,511)</u>	<u>(2,875,376)</u>

**BHUSHAN STEEL (SOUTH) LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

	As at 31.03.2015	As at 31.03.2014
<b>4 TRADE PAYABLES</b>		
Trade Payables	35,708	33,708
	<u>35,708</u>	<u>33,708</u>
<b>5 OTHER CURRENT LIABILITIES</b>		
Other Payables	7,546	7,800
	<u>7,546</u>	<u>7,800</u>
<b>6 SHORT TERM PROVISIONS</b>		
Provision for Income Tax (Net)	-	386
	<u>-</u>	<u>386</u>
<b>7 LONG TERM LOANS AND ADVANCES</b> (Unsecured, Considered Good)		
MAT Recoverable	-	244
Other Advances	7,500,000	-
	<u>7,500,000</u>	<u>244</u>
<b>8 CASH AND BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
a) Balances with Banks		
- In Current Account	2,800	7,550,786
b) Cash-on -Hand	113,943	113,943
	<u>116,743</u>	<u>7,664,729</u>

**BHUSHAN STEEL (SOUTH) LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>9 OTHER EXPENSES</b>		
Printing & Stationery	400	550
Rates & Taxes	21,600	10,440
Legal & Professional Charges	8,878	4,206
Accounting Charges	2,000	2,000
Capital Advances written off	.	1,601,000
Capital Work in Progress written off	.	1,123,765
Auditors' Remuneration		
-Audit Fees	16,854	16,854
	<u>49,732</u>	<u>2,768,815</u>

**BHUSHAN STEEL (SOUTH) LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2015**

**10. Deferred Tax Assets(Net)**

The break up of deferred tax asset and liabilities in major components arising on account of timing differences are as below:

	(Figures In Rupees)	
	As At 31.03.2015	As At 31.03.2014
Deferred Tax Assets	Nil	1545
- Relating to Preliminary Expense		

11. There is no employee, hence no provision is required for retirement benefits.

12. The Company entered into an MoU with the Govt. of Karnataka for setting an Integrated Steel Plant at Gadiganur, Distt. Bellary, Karnataka and paid Rs. 30,00,00,000 to Karnataka Industrial Area Development Board. However, due to non approvals, Land acquisition could not took place. The Karnataka Industrial Area Development Board refunded the advance amount after deducting Rs. 15,10,000 its administration charges. The amount deducted by Karnataka Industrial Area Development Board & other expenses already incurred by the company are written off during previous year. Now the Company is exploring the possibility of further Projects.

13. To the extent of information available with the company, no amount is due under Micro, Small and Medium Enterprises Development Act 2006.

**14. Related Parties (As identified by the management) are classified as:**

Holding company –	Bhushan Steel Ltd. India
Fellow Subsidiaries-	Bhushan Steel Australia Pty Ltd
	Bowen Energy Ltd.
	Bowen Coal Pty Ltd
	Bowen Consolidated Pty Ltd.
	Kondor Holding Pty Ltd.
	Golden Country Resources (Australia) Pty Ltd
	Bhushan Steel (Orissa) Ltd.
	Bhushan Steel Bengal Ltd.*
	Bhushan Steel Madhya Bharat Ltd
	Bhushan Capital & Credit Services Pvt. Ltd.*
	Jawahar Credit & Holding Pvt. Ltd.*
	Marsh Capital Services Pvt. Ltd.*
	Paragon Securities Pvt. Ltd.*
	Parakeet Finvest Pvt. Ltd.*
	Perpetual Securities Ltd.*

Enterprises over which- Bhushan Energy Limited  
 KMP & their relatives are Bhushan Infrastructure Private Limited  
 able to exercise significant  
 influence

\* Upto 29.09.2013

**Note:** Related party relationship is as identified by the company and relied upon by the auditors.

Description & Nature of Transaction	Holding Company	Enterprises over which KMP & their relatives have significant influence	(Figure in Rs.)
			TOTAL
Redemption of Preference Share Capital	NIL (30,00,00,000)	NIL (NIL)	NIL (30,00,00,000)
Issue of Preference Share Capital	NIL (NIL)	NIL (1,00,00,000)	NIL (1,00,00,000)

1. Redemption of Preference Share Capital includes Bhushan Steel Limited Rs. Nil (Pre. Year Rs. 30,00,00,000).
2. Preference share Capital received from Bhushan Energy Limited Rs. Nil (Pre. Year Rs. 62,50,000) and Bhushan Infrastructure Private Limited Rs. Nil (previous Year Rs. 37,50,000).



**BHUSHAN STEEL (SOUTH) LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2015**

**15. Earning Per Share**

	<b>Year Ended 31.03.2015</b>	<b>Year Ended 31.03.2014</b>
Weighted Average No. of Equity Shares (Nos.)	50000	50000
Profit/ (Loss) After Tax (Rs.)	(51,135)	(27,28,246)
Basic/Diluted Earnings Per Share (Rs.)	(1.02)	(54.56)

**16.** Previous Year's figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

**17.** Other additional information pursuant to the provisions of Para 5 of part II of Schedule-III to the Companies Act, 2013 are not applicable/nil.

**FOR MEHRA GOEL & CO.**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No 000517N

**R. K. MEHRA**  
**PARTNER**  
 M.NO: 6102  
 PLACE: NEW DELHI  
 DATED : 25<sup>th</sup> May, 2015

**B.B.SINGAL**  
**DIRECTOR**

**PREM KUMAR AGGARWAL**  
**DIRECTOR**

## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of Bhushan Steel Madhya Bharat Limited**  
**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **Bhushan Steel Madhya Bharat Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Standalone Financial Statements*

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as on 31<sup>st</sup> March, 2015, and its losses and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and 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 aforesaid standalone financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - i The Company does not have any pending litigations which would impact its financial position.
    - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015

## ANNEXURE

(Referred to in paragraph 1 of our report of even date)

- i) In Respect of its Fixed Assets :
  - a) Based on our scrutiny of the company's books of account and other records and according to information & explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets, physical verification of fixed assets and any substantial sale thereof does not arise since the company has no fixed assets as on 31<sup>st</sup> March, 2015 not at any time during the year ended 31<sup>st</sup> March, 2015.
- ii) In Respect of its Inventory :
  - a) As the Company has not purchased/sold goods during the year ended 31.03.2015 and there are no stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records does not arise.
- iii) In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- iv) Having regard to the nature of the company's business and based on our scrutiny of the company's records and the information and explanations received by us, we report that the company's activities do not include sale of goods or services. Further, the company does not have any fixed asset as on 31<sup>st</sup> March, 2015 nor at any time during the year ended 31<sup>st</sup> March, 2015. During the course of our Audit, no major weakness has been noticed in the internal controls system.
- v) To the best of our knowledge, the company has not accepted any deposits covered under section 73 or any other provisions of the Companies Act, 2013.
- vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records for the company under sub-section (1) of Section 148 of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues :
  - a) The Company has generally been regular in depositing undisputed dues including Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Duty of Custom, Duty of Excise, Cess, Service Tax and any other statutory dues applicable to it with the appropriate authorities and there were no undisputed dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.
  - b) According to the information and explanations given to us, there were no disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.
  - c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund.
- viii) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and the company has incurred cash losses in the current financial year and in the immediately preceding financial year.
- ix) According to the information & explanations given to us and on the examination of books of account, we are of the opinion that the Company has not taken any loan from banks and financial institutions or debenture holders, the said clause is not applicable.
- x) To the best of our knowledge and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions.

- xii) According to information & explanations given to us as the Company has not taken any term loans during the year, the said clause is not applicable,
- xii) Based upon the audit procedure performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For MEHRA GOEL & CO.**  
Chartered Accountants  
Registration No.: 000517N

**R.K. Mehra**  
Partner  
M. NO. : 6102  
Place: New Delhi  
Dated: 25<sup>th</sup> May, 2015

**BHUSHAN STEEL MADHYA BHARAT LTD  
BALANCE SHEET AS AT 31ST MARCH 2015**

(Figures in Rupees)

	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	2	500,000	500,000
b) Reserves and Surplus	3	(39,986)	(3,917)
		<u>460,014</u>	<u>496,083</u>
<b>2 Current Liabilities</b>			
a) Trade Payables	4	35,708	33,708
b) Short Term Provision	5	-	460
		<u>35,708</u>	<u>34,168</u>
<b>Total</b>		<u><b>495,722</b></u>	<u><b>530,251</b></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Deffered Tax Assets(Net)	9	-	1,545
b) Long Term Loans and Advances	6	-	1,271
		-	<u>2,816</u>
<b>2 Current Assets</b>			
a) Cash and Bank Balances	7	495,722	527,435
<b>Total</b>		<u><b>495,722</b></u>	<u><b>530,251</b></u>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	9-15		

As per our Report of even date attached

**For MEHRA GOEL & CO.**

Chartered Accountants

(Firm Registration No. 000517N)

**(R. K. MEHRA)**

PARTNER  
M. No. 6102

**(B B SINGAL)**

DIRECTOR

**(RAHUL SEN GUPTA)**

DIRECTOR

PLACE: NEW DELHI

DATE: 25th May, 2015

**BHUSHAN STEEL MADHYA BHARAT LTD**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

Particulars	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income		-	24,000
<b>TOTAL REVENUE</b>		<u>-</u>	<u>24,000</u>
<b>EXPENSES</b>			
Other Expenses	8	33,253	21,588
<b>TOTAL EXPENSES</b>		<u>33,253</u>	<u>21,588</u>
<b>Profit / (Loss) Before Tax</b>		(33,253)	2,412
Less:-Tax Expense			
-Current Tax		-	460
-Mat Credit utilised / (Available for Set-off)		1,271	(460)
-Deffered Tax		1,545	1,545
<b>Profit / (Loss) After Tax</b>		<u>(36,069)</u>	<u>857</u>
Basic/Diluted Earning Per Share (Rs.)	13	(0.72)	0.02
Face Value of Equity Shares (Rs.)		10	10
<b>Significant Accounting Policies</b>	1		
<b>Other Notes on Financial Statements</b>	9-15		

As per our Report of even date attached

**For MEHRA GOEL & CO.**  
Chartered Accountants  
(Firm Registration No. 000517N)

**(R. K. MEHRA)**  
PARTNER  
M. No. 6102

**(B B SINGAL)**  
DIRECTOR

**(RAHUL SEN GUPTA)**  
DIRECTOR

PLACE: NEW DELHI  
DATE: 25th May, 2015

**BHUSHAN STEEL MADHYA BHARAT LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	Year Ended 31.03.2015	(Figure in Rupees) Year Ended 31.03.2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	(33,253)	2,412
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(33,253)</b>	<b>2,412</b>
ADJUSTMENTS FOR :		
TRADE PAYABLES & OTHER LIABILITIES	2,000	(1,412)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(31,253)</b>	<b>1,000</b>
LESS: DIRECT TAXES PAID	(460)	(811)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(31,713)</b>	<b>189</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
NET CASH USED IN INVESTING ACTIVITIES (B)	-	-
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
PROCEEDS FROM SHARE CAPITAL	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(31,713)</b>	<b>189</b>
Opening Balances of Cash and Cash Equivalents	527,435	527,246
Closing Balances of Cash and Cash Equivalents	495,722	527,435

As per our report of even date attached

Note:-

Figures in bracket represent the Cash Outflows

For MEHRA GOEL & CO.  
 CHARTERED ACCOUNTANTS  
 (Firm Registration No. 000517N)

(R. K. MEHRA)  
 PARTNER  
 M. No. 6102  
 PLACE: NEW DELHI  
 DATE: 25th May, 2015

(B B SINGAL)  
 DIRECTOR

(RAHUL SEN GUPTA)  
 DIRECTOR



**BHUSHAN STEEL MADHYA BHARAT LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> March 2015**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

Financial Statements are prepared under historical cost convention, on accrual basis and in accordance with applicable accounting standards in India and relevant presentational requirements of the Companies Act, 2013.

**2) USE OF ESTIMATES**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

**3) REVENUE RECOGNITION**

(i) Interest income is recognized on accrual basis.

(iii) Dividend on investments is accounted for as and when the right to receive the same is established.

**4) INVESTMENTS**

Current investments are stated at the lower of cost and the fair/quoted value. Long term investments are stated at cost less any provision for permanent diminution in value.

**5) RETIREMENT BENEFITS**

Provision of retirement benefits is made as and when the employees become entitled to such benefits.

**6) TAXATION**

a) The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.

b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

c) Deferred tax assets are not recognized on unabsorbed depreciation & carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized and are reviewed at each balance sheet date to reassure the realization.

d) Deferred tax assets & liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

e) Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the company intends to settle the assets and liabilities on a net basis.

**BHUSHAN STEEL MADHYA BHARAT LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

	As at 31.03.2015	As at 31.03.2014
<b>2 SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,000 Equity Shares (Pr. Year 1,00,000) of Rs. 10/- each	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>
<b>Issued, Subscribed &amp; Paid Up</b>		
50,000 Equity Shares ( Pr. Year 50,000) of Rs. 10/- each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
<b>a) The Reconciliation of the number of shares outstanding and the amount of share capital:</b>		
	No. of Shares	Amount
Number of shares at the beginning / end of the year	50000	500000
	50000	500000
<b>b) Shares in the company held by each shareholder holding more than 5 percent shares:</b>		
<b>EQUITY SHARES</b>		
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% Of Shares</b>
Bhushan Steel Limited	50000	100.00
(includes six shares held by other persons as nominee of the Holding Company)	50000	100.00
<b>c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:</b>		
	<b>No. of share</b>	<b>No. of share</b>
Holding Company	50000	50000
<b>d) The company has one class of equity share having a par value of Rs.10 each. Each shareholder is eligible for one vote for every share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, in proportion to their shareholding.</b>		
<b>3 RESERVE AND SURPLUS</b>		
<b>Surplus</b>		
Opening Balance	(3,917)	(4,784)
Net Profit / (Loss) For the Current Year	(36,069)	867
	<u>(39,986)</u>	<u>(3,917)</u>
<b>4 TRADE PAYABLES</b>		
Trade Payables	35,708	33,708
	<u>35,708</u>	<u>33,708</u>
<b>5 SHORT TERM PROVISIONS</b>		
Provision for Income Tax (Net)	-	460
	<u>-</u>	<u>460</u>
<b>6 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
MAT Recoverable	-	1,271
	<u>-</u>	<u>1,271</u>
<b>7 CASH &amp; BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
a) Balances with Banks		
- In Current Account	394,502	426,215
b) Cash in Hand	101,220	101,220
	<u>495,722</u>	<u>527,435</u>

**BHUSHAN STEEL MADHYA BHARAT LTD**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

(Figures in Rupees)

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>8 OTHER EXPENSES</b>		
Printing & Stationery	400	-
Rates & Taxes	8,800	1,500
Legal & Professional Charges	5,199	1,234
Accounting Charges	2,000	2,000
Auditors' Remuneration		
-Audit Fees	16,854	16,854
	<u>33,253</u>	<u>21,588</u>

**BHUSHAN STEEL MADHYA BHARAT LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> March 2015**

**9. Deferred Tax Assets(Net)**

The breakup of deferred tax asset and liabilities in major components arising on account of timing differences are as below:

	(Figures in Rupees)	
	As At 31.03.2015	As At 31.03.2014
Deferred Tax Assets	-	1545
-Relating to Preliminary Expense		

10. There is no employee, hence no provision is required for retirement benefits.

11. To the extent of information available with the company, no amount is due under Micro, Small and Medium Enterprises Development Act 2006.

**12. Related Parties (As identified by the management) are classified as:**

Holding company –	Bhushan Steel Ltd. India
Fellow Subsidiaries-	Bhushan Steel Australia Pty Ltd
	Bowen Energy Ltd.
	Bowen Coal Pty Ltd
	Bowen Consolidated Pty Ltd.
	Kondor Holding Pty Ltd.
	Golden Country Resources (Australia) Pty Ltd
	Bhushan Steel (Orissa) Ltd
	Bhushan Steel Bengal Ltd*
	Bhushan Steel (South) Ltd
	Bhushan Capital & Credit Services Pvt. Ltd.*
	Jawahar Credit & Holding Pvt. Ltd.*
	Marsh Capital Services Pvt. Ltd.*
	Paragon Securities Pvt. Ltd.*
	Parakeet Finvest Pvt. Ltd.*
	Perpetual Securities Ltd.*

\*Upto 29.09.2013

**Note:** There is no Related party transactions as identified by the company and relied upon by the auditors.

**13. Earning Per Share**

	Year Ended 31.03.2015	Year Ended 31.03.2014
Weighted Average No. of Equity Shares (Nos.)	50000	50000
Profit After Tax (Rs.)	(36,069)	867
Basic / Diluted Earnings Per Share (Rs.)	(0.72)	0.02

14. Previous Year's figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

15. Other additional information pursuant to the provisions of Para 5 of part II of Schedule-III to the Companies Act, 2013 are not applicable/nil

**FOR MEHRA GOEL & CO.**  
 CHARTERED ACCOUNTANTS  
 (Firm Registration No 000517N)

R. K. MEHRA  
 PARTNER  
 M.NO: 6102  
 PLACE: NEW DELHI  
 DATED : 25<sup>th</sup> May, 2015

B.B.SINGAL  
 DIRECTOR

RAHUL SEN GUPTA  
 DIRECTOR

**BHUSHAN STEEL (AUSTRALIA) PTY LTD**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

	NOTE NO.	As at 31.03.2015	Figures in INR As at 31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	2,694,653,333	2,672,388,533
b) Reseve & Surplus	2	(87,477,899)	(41,375,161)
		<u>2,607,175,434</u>	<u>2,631,013,372</u>
<b>2 Non Current Liabilities</b>			
a) Other Long Term Liabilities	3	45,028,035	52,834,859
<b>3 Current Liabilities</b>			
a) Other Current Liabilities	4	11,356,274	23,890,003
<b>Total</b>		<u><u>2,663,558,743</u></u>	<u><u>2,707,738,234</u></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Capital Work in Progress	5	1,589,362,130	1,576,710,986
b) Non Current Investment	6	754,437,111	754,437,111
c) Long Term Loans and Advances	7	318,445,165	373,656,221
		<u>1,072,882,276</u>	<u>1,128,093,332</u>
<b>2 Current Assets</b>			
a) Cash and Bank Balances	8	1,314,260	2,933,825
b) Short Term Loans & Advances	9	77	91
		<u>1,314,337</u>	<u>2,933,916</u>
<b>Total</b>		<u><u>2,663,558,743</u></u>	<u><u>2,707,738,234</u></u>

The above Financial statement, prepared from the Books of Accounts of Bhushan Steel (Australia) Pty Ltd., represents true & fair view of the state of affairs of the Company. Indirect expenses have been capitalised as per applicable Indian Accounting Standards and provisions of the Companies Act, 2013.

(P.K.AGGARWAL)  
DIRECTOR

(ANIL AHUJA)  
DIRECTOR

**BHUSHAN STEEL (AUSTRALIA) PTY LTD**  
**Un-Audited STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

	NOTE NO.	Year Ended 31.03.2015	Figures in INR Year Ended 31.03.2014
<b>INCOME</b>			
Other Income	10	-	-
<b>TOTAL INCOME</b>		<u>-</u>	<u>-</u>
<b>EXPENSES</b>			
Other Expense	12	46,102,738	9,184,886
<b>TOTAL EXPENSES</b>		<u>46,102,738</u>	<u>9,184,886</u>
<b>Profit/(Loss) Before Tax</b>		(46,102,738)	(9,184,886)
Less:- Provision for income Tax		-	-
<b>Profit/(Loss) After Tax</b>		<u>(46,102,738)</u>	<u>(9,184,886)</u>
Basic Earning Per Share (Rs.)		(0.89)	(0.18)
Diluted Earning Per Share (Rs.)		(0.89)	(0.18)

(P.K.AGGARWAL)  
DIRECTOR

(ANIL AHUJA)  
DIRECTOR

**BHUSHAN STEEL (AUSTRALIA) PTY LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	As at 31.03.2015	As at 31.03.2014
<b>1 SHARE CAPITAL</b>		
Issued, Subscribed & Paid Up		
52069796 (Previous Year 51669796) Ordinary Shares of AUD\$ 1/-each	2,694,653,333	2,672,388,533
	<u>2,694,653,333</u>	<u>2,672,388,533</u>

a) The Reconciliation of the number of shares outstanding and amount of share capital:

	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	51669796	2,672,388,533	46769796	2,399,527,733
Add: Shares allotted during the year	400000	22,264,800	4900000	272,860,800
Number of shares at the end	<u>52069796</u>	<u>2,694,653,333</u>	<u>51669796</u>	<u>2,672,388,533</u>

b) Shares in the company held by each shareholder holding more than 5 percent shares:

**ORDINARY SHARES**

Name of Shareholder	No. of Shares	% of Shares	No. of Shares	% of Shares
Bhushan Steel Limited	47369796	90.97	46969796	90.90
Bhushan Energy Limited	4700000	9.03	4700000	9.10

c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	No. of Shares	No. of Shares
Holding Company	47369796	46969796
Associate of Holding Company	4700000	4700000

d) Ordinary Shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**2 RESERVES & SURPLUS**

<b>Surplus</b>		
Opening Balance	(41,375,161)	(32,190,275)
Net Profit/(Loss) For the Current Year	(46,102,738)	(9,184,886)
Net Surplus	<u>(87,477,899)</u>	<u>(41,375,161)</u>

**3 OTHER LONG-TERM LIABILITIES**

Other Payables	45,028,035	52,834,859
	<u>45,028,035</u>	<u>52,834,859.00</u>

**4 OTHER CURRENT LIABILITIES**

JV Expenses Reimbursement payable to Subsidiary Company	2,562,862	13,739,920
Due to Subsidiary Company	8,366,127	9,816,621
Other Payables	426,285	333,462
	<u>11,355,274</u>	<u>23,890,002.98</u>

**BHUSHAN STEEL (AUSTRALIA) PTY LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

		Figures In INR	
		As at 31.03.2015	As at 31.03.2014
<b>5</b>	<b>CAPITAL WORK IN PROGRESS</b>		
	Capital Work in Progress	1,562,545,052	1,556,717,489
	Add: Preoperative Expenditure	11 26,817,078	26,657,524
	Less: Other Income	10	6,664,027
		<u>1,589,362,130</u>	<u>1,576,710,986</u>
<b>6</b>	<b>NON CURRENT INVESTMENT</b>		
	Long Term		
	Trade		
	QUOTED		
	Non Trade		
	In Other		
	Rocklands Rich fields Ltd		
	2000 (Previous Year 2000) Ordinary Shares of AUD		
	0.20/-each Fully Paid up	20,677	20,677
	UNQUOTED		
	In Subsidiary		
	Bowen Energy Pty Ltd		
	234327968 (Previous Year 234327968) Ordinary		
	Shares	754,416,434	754,416,434
		<u>754,437,111</u>	<u>754,437,111</u>
	Market value of Quoted Investments as at 31.03.2015		
	Rs 0.21 Lacs (Previous Year Rs. 0.21 lacs).		
<b>7</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Loan to Subsidiary (including interest accrued)	194,963,821	228,766,057
	Other Advances	123,481,344	144,890,164
		<u>318,445,165</u>	<u>373,656,221</u>
<b>8</b>	<b>CASH AND BANK BALANCES</b>		
	a) Cash & Cash Equivalents		
	Balances with Banks		
	- In Current Account	1,314,260	2,933,825
	Remittance in transit	-	-
		<u>1,314,260</u>	<u>2,933,825</u>
<b>9</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	GST Recoverable	77	91
		<u>77</u>	<u>91</u>



**BHUSHAN STEEL (AUSTRALIA) PTY LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	Figures In INR	
	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>10 OTHER INCOME</b>		
Interest income	-	6,664,027
	-	6,664,027
Less: Transferred to CWIP	-	6,664,027
	-	-
<b>11 PREOPERATIVE EXPENDITURE</b>		
Opening Balance	(A) 26,657,524	21,857,387
Add: Addition during the year		
Accountancy Charges	142,096	660,708
Legal & Professional Charges	-	591,350
Consultancy Expenses	-	177,935
Audit Fees	-	-
Rates & Taxes	13,370	3,368,493
Bank Charges	4,090	1,651
	(B) 159,554	4,800,137
	(A+B) 26,817,078	26,657,524
<b>12 OTHER EXPENSES</b>		
Exchange Fluctuation	45,809,505	9,171,322
Bank Charges	4,005	13,564
Legal & Professional Charges	289,228	-
	46,102,738	9,184,886

**BOWEN ENERGY PTY LIMITED**  
**Un-Audited CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015**

	NOTE NO.	As at 31.03.2015	Figures in INR As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	890,004,188	890,004,188
b) Reseve & Surplus	2	(128,270,382)	(142,012,774)
Foreign Currency Transaction Reserve		173,027,125	173,027,125
		<u>934,760,931</u>	<u>921,018,539</u>
<b>2 Non Current Liabilities</b>			
a) Long Term Borrowings	3	194,963,820	228,766,057
<b>3 Current Liabilities</b>			
a) Trade Payables	4	2,311,686	13,554,946
b) Other Current Liabilites	5	682,557	
		<u>2,994,243</u>	<u>13,554,946</u>
<b>Total</b>		<u><u>1,132,718,994</u></u>	<u><u>1,163,339,542</u></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Fixed Assets			
Tangible Assets	6	1,933,867	34,708,987
a) Capital Work in Progress	7	1,105,988,357	1,088,010,431
<b>2 Current Assets</b>			
a) Current Investment	8	206,372	946,518
b) Cash and Bank Balances	9	12,055,167	8,301,771
c) Short Term Loans & Advances	10	12,535,231	31,371,835
		<u>24,796,770</u>	<u>40,620,124</u>
<b>Total</b>		<u><u>1,132,718,994</u></u>	<u><u>1,163,339,542</u></u>

The above Financial statement, prepared from the Books of Accounts of Bowen Energy Ltd, represents true & fair view of the state of affairs of the Company. Indirect expenses have been capitalised as per applicable Indian Accounting Standards and provisions of the Companies Act, 2013.

**Gordon Saul**  
Director

**Anil Ahuja**  
Director

## BOWEN ENERGY PTY LIMITED

## un-Audited CONSOLIDATE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Figures in INR

	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income	11	31,146,753	7,737,482
<b>EXPENSES</b>			
Other Expenses	12	17,404,361	32,324,103
Profit / (Loss) Before Tax		<u>13,742,392</u>	<u>(24,586,621)</u>
Profit / (Loss) After Tax		<u>13,742,392</u>	<u>(24,586,621)</u>
Basic / Diluted Earning Per Share (Rs.)		0.06	(0.10)

Gordon Saul  
Director

Anil Ahuja  
Director

**BOWEN ENERGY PTY LIMITED**  
**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	As at 31.03.2015	As at 31.03.2014
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**NOTE-1 SHARE CAPITAL**

**Issued, Subscribed & Paid Up**

234,327,968 (Previous Year 234,327,968) Ordinary Shares

890,004,188	890,004,188
<u>890,004,188</u>	<u>890,004,188</u>

**a) The Reconciliation of number of shares outstanding and the amount of share capital:**

	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	234,327,968	890,004,188	234,327,968	890,004,188
Add: Right issue allotment during the year				
	<u>234,327,968</u>	<u>890,004,188</u>	<u>234,327,968</u>	<u>890,004,188</u>

**b) Shares in the company held by each shareholder holding more than 5 percent shares:**

**ORDINARY SHARES**

Name of Shareholder	No. of Shares	% of Shares	No. of Shares	% of Shares
Bhushan Steel (Australia) Pty Ltd	234,327,968	100.00	234,327,968	100.00

**c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:**

	No. of Shares	No. of Shares
Holding Company	234,327,968	234,327,968

- d) Ordinary Shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.  
 On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**NOTE-2 RESERVE & SURPLUS**

**Surplus**

Opening Balance	(142,012,774)	(117,426,153)
Net Profit / (Loss) For the Current Year	13,742,392	(24,586,621)
Net Surplus	<u>(128,270,382)</u>	<u>(142,012,774)</u>

**NOTE-3 LONG TERM BORROWINGS**

**UNSECURED LOAN**

- Loan from Bhushan Steel (Australia) Pty Ltd	194,963,820	228,766,057
	<u>194,963,820</u>	<u>228,766,057</u>

**NOTE-4 TRADE PAYABLES**

Trade Payables	2,311,686	13,554,946
	<u>2,311,686</u>	<u>13,554,946</u>

**NOTE-5 OTHER CURRENT LIABILITIES**

GST Payable	682,557	-
	<u>682,557</u>	<u>-</u>

BOWEN ENERGY PTY LIMITED

IN INR

NOTE-6 FIXED ASSETS

Description of Fixed Assets	GROSS BLOCK				DEPRECIATION/ AMORTISATION				Net Block			
	Cost as at 01.04.2014	Addition During the year	Sales During the year	Adjustment During the year	Cost as at 31.03.2015	As at 01.04.2014	During the Year	Written Back During the year	Adjustment During the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
Building	36,400,759	-	34,276,951	-	2,123,808	2,159,632	914,404	2,884,095	-	189,941	1,933,867	34,241,127
Office Equipments	504,858	-	504,858	-	-	36,998	16,801	53,799	-	-	-	467,860
<b>TOTAL</b>	<b>36,905,617</b>	<b>-</b>	<b>34,781,809</b>	<b>-</b>	<b>2,123,808</b>	<b>2,196,631</b>	<b>931,205</b>	<b>2,937,894</b>	<b>-</b>	<b>189,941</b>	<b>1,933,867</b>	<b>34,708,987</b>

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**BOWEN ENERGY PTY LIMITED**  
**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	As at 31.03.2015	As at 31.03.2014
<b>NOTE-7 CAPITAL WORK IN PROGRESS</b>		
Opening	1,088,010,431	1,344,232,968
Additions During the Year	17,977,926	(256,222,537)
	<u>1,105,988,357</u>	<u>1,088,010,431</u>
<b>NOTE-8 CURRENT INVESTMENT</b>		
<b>Short Term</b>		
<b>Trade</b>		
<b>Quoted</b>		
<b>In Other</b>		
Vector Resources Limited		
855000 (Previous Year 855000) Ordinary Shares of AUD		
.20/-each	206,372	946,518
	<u>206,372</u>	<u>946,518</u>
<b>NOTE-9 CASH AND BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
a) Balances with Banks		
- In Current Accounts	11,105,823	7,245,418
- In Term Deposit Account	944,750	1,050,961
Cash on Hand	4,594	5,391
	<u>12,055,167</u>	<u>8,301,771</u>
<b>NOTE-10 SHORT TERM LOANS &amp; ADVANCES</b>		
Deposit with Govt. Deptt. & Other	303,704	3,413,095
GST Refundable	-	2,873,832
JV Expenses Receivable	2,562,862	13,739,920
Due from Holding Company	8,366,127	9,816,621
Other Advances	1,302,538	1,528,367
	<u>12,535,231</u>	<u>31,371,835</u>

**BOWEN ENERGY PTY LIMITED**  
**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>NOTE-11 OTHER INCOME</b>		
Exchange Fluctuation	31,146,753	7,737,482
Interest Earned	57,073	47,564
Provision Written Back (2KD Settlement)	-	-
	<u>31,203,826</u>	<u>7,785,046</u>
Less : Transfer to Project Under commissioning	57,073	47,564
	<u><b>31,146,753</b></u>	<u><b>7,737,482</b></u>
<b>NOTE-12 OTHER EXPENSES</b>		
Accounting Charges	2,976,790	6,013,183
Audit Fees	583,614	2,832,626
Bank Charges	24,989	34,347
Office & Establishment Expenses	4,118,718	4,410,961
Insurance	44,796	52,637
Telephone & Communication	236,442	641,502
Travelling & Conveyance	-	115,243
Statutory Dues	327,936	466,216
Legal & Professional	697,037	966,108
Director Fee	-	-
Commission	-	637,656
Loss on sale of Fixed Assets	16,664,215	3,597,691
Diminution in value of investment	740,146	320,676
Depreciation	931,205	8,223,726
Electricity Expenses	-	36,333
Vehicle Repair & Maintenance	6,465	-
Repair & Maintenance	-	147,366
Exchange Fluctuation	-	-
Write down of tenements	-	27,768,080
	<u>27,534,353</u>	<u>54,264,353</u>
Add : Interest & Financial Charges	-	6,664,027
Less : Misc Income	57,073	47,564
	<u>27,477,280</u>	<u>60,880,816</u>
Less : Transfer to project under commissioning	10,072,919	28,556,713
	<u><b>17,404,361</b></u>	<u><b>32,324,103</b></u>

**BOWEN ENERGY PTY LIMITED**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

Figures in INR

	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	890,004,188	890,004,188
b) Reseve & Surplus	2	(127,514,199)	(143,693,315)
Foreign Currency Transaction Reserve		172,560,648	172,560,648
		<u>935,050,637</u>	<u>918,871,521</u>
<b>2 Non Current Liabilities</b>			
a) Long Term Borrowings	3	200,651,788	235,440,188
<b>3 Current Liabilities</b>			
a) Trade Payables	4	2,311,686	13,554,947
b) Other Current Liabilities	5	682,557	-
		<u>2,994,243</u>	<u>13,554,947</u>
<b>Total</b>		<u><u>1,138,696,668</u></u>	<u><u>1,167,866,656</u></u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Fixed Assets			
Tangible Assets	6	1,933,867	34,708,987
b) Capital Work in Progress	7	1,119,794,020	1,101,816,094
c) Non Current Investment	8	538,517	538,517
		<u>1,120,332,537</u>	<u>1,102,354,611</u>
<b>2 Current Assets</b>			
a) Current Investment	9	206,372	940,518
b) Cash and Bank Balances	10	12,054,788	8,301,326
c) Short Term Loans & Advances	11	4,169,104	21,555,214
		<u>16,430,264</u>	<u>30,803,058</u>
<b>Total</b>		<u><u>1,138,696,668</u></u>	<u><u>1,167,866,656</u></u>

The above Financial statement, prepared from the Books of Accounts of Bowen Energy Ltd, represents true & fair view of the state of affairs of the Company. Indirect expenses have been capitalised as per applicable Indian Accounting Standards and provisions of the Companies Act, 2013.

Gordon Saul  
 Director

Anil Ahuja  
 Director



**BOWEN ENERGY PTY LIMITED**  
**un-Audited STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income	12	33,583,477	7,742,104
<b>EXPENSES</b>			
Other Expenses	13	17,404,361	32,324,103
<b>Profit / (Loss) Before Tax</b>		<u>16,179,116</u>	<u>(24,581,998)</u>
<b>Profit / (Loss) After Tax</b>		<u>16,179,116</u>	<u>(24,581,998)</u>
Basic / Diluted Earning Per Share (Rs.)		0.07	(0.10)

**Gordon Saul**  
Director

**Anil Ahuja**  
Director

**BOWEN ENERGY PTY LIMITED**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	As at 31.03.2015		As at 31.03.2014	
<b>NOTE-1 SHARE CAPITAL</b>				
<b>Issued, Subscribed &amp; Paid Up</b>				
234,327,968 (Previous Year 234,327,968) Ordinary Shares		890,004,188		890,004,188
		<u>890,004,188</u>		<u>890,004,188</u>
<b>a) The Reconciliation of number of shares outstanding and the amount of share capital</b>				
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
Number of shares at the beginning	234,327,968	890,004,188	234,327,968	890,004,188
Add: Right issue allotment during the year				
	<u>234,327,968</u>	<u>890,004,188</u>	<u>234,327,968</u>	<u>890,004,188</u>
<b>b) Shares in the company held by each shareholder holding more than 5 percent shares</b>				
<b>ORDINARY SHARES</b>				
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% of Shares</b>	<b>No. of Shares</b>	<b>% of Shares</b>
Bhushan Steel (Australia) Pty Ltd	234,327,968	100.00	234,327,968	100.00
<b>c) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate</b>				
		<b>No. of Shares</b>		<b>No. of Shares</b>
Holding Company		234,327,968		234,327,968
<b>NOTE-2 RESERVE &amp; SURPLUS</b>				
<b>Surplus</b>				
Opening Balance		(143,693,315)		(119,111,316)
Net Profit / (Loss) For the Current Year		16,179,116		(24,581,989)
		<u>(127,514,199)</u>		<u>(143,693,315)</u>
<b>NOTE-3 LONG TERM BORROWINGS</b>				
<b>UNSECURED LOAN</b>				
- Loan from Bhushan Steel (Australia) Pty Ltd		194,963,820		228,766,057
- Loan from Golden Country Resources (Australia) Pty Ltd		5,687,968		6,674,131
		<u>200,651,788</u>		<u>235,440,188</u>
<b>NOTE-4 TRADE PAYABLES</b>				
Trade Payables		2,311,686		13,554,947
		<u>2,311,686</u>		<u>13,554,947</u>
<b>NOTE 5 OTHER CURRENT LIABILITIES</b>				
GST Payable		682,557		-
		<u>682,557</u>		<u>-</u>

BOWEN ENERGY PTY LIMITED

IN INR

NOTE-6 FIXED ASSETS

Description of Fixed Assets	GROSS BLOCK					DEPRECIATION/ AMORTISATION					Net Block	
	Cost as at 01.04.2014	Addition During the year	Sales During the year	Adjustment During the year	Cost as at 31.03.2015	As at 01.04.2014	During the Year	Written Back During the year	Adjustment During the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets												
Building	36,400,759	-	34,276,951	-	2,123,808	2,159,632	914,404	2,884,095	-	189,941	1,933,867	34,241,127
Office Equipments	504,858	-	504,858	-	-	36,998	16,801	53,799	-	-	-	467,850
<b>TOTAL</b>	<b>36,905,617</b>	<b>-</b>	<b>34,781,809</b>	<b>-</b>	<b>2,123,808</b>	<b>2,196,631</b>	<b>931,205</b>	<b>2,937,894</b>	<b>-</b>	<b>189,941</b>	<b>1,933,867</b>	<b>34,708,987</b>

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**BOWEN ENERGY PTY LIMITED**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	As at 31.03.2015	As at 31.03.2014
<b>NOTE-7 CAPITAL WORK IN PROGRESS</b>		
Opening	1,101,816,094	1,341,825,764
Additions / (Deletion) During the Year	17,977,920	(240,009,670)
	<u>1,119,794,020</u>	<u>1,101,816,094</u>
<b>NOTE-8 NON CURRENT INVESTMENT</b>		
Long Term		
Non Trade		
UNQUOTED		
In Subsidiary		
Golden Country Resources (Australia) Pty Ltd. 51150 (Previous Year 51150) Ordinary Shares Of AUD 0.20/- Each		
	538,149	538,149
Bowen Coal Ltd		
10 (Previous Year 10) Ordinary Shares Of AUD 0.20/- Each Kondor Holding Ltd.	105	105
10 (Previous Year 10) Ordinary Shares Of AUD 0.20/- Each Bowen Consolidated Pty Ltd	105	105
15 (Previous Year 15) Ordinary Shares Of AUD 0.20/- Each	158	158
	<u>538,517</u>	<u>538,517</u>
<b>NOTE-9 CURRENT INVESTMENT</b>		
Short Term		
Trade		
Quoted		
In Other		
Vector Resources Limited 855000 (Previous Year 855000) Ordinary Shares of AUD .20/- each		
	206,372	946,518
	<u>206,372</u>	<u>946,518</u>
<b>NOTE-10 CASH AND BANK BALANCES</b>		
a) Cash and Cash Equivalents		
Balances with Banks		
- in Current Account	11,105,444	7,244,884
- in Term Deposit Account	944,750	1,050,961
Cash on Hand	4,594	5,481
	<u>12,054,788</u>	<u>8,301,326</u>
<b>NOTE-11 SHORT TERM LOANS &amp; ADVANCES</b>		
Deposit with Govt. Deptt. & Other	303,704	3,413,095
JV Expenses Receivable from Holding Company	2,562,862	13,739,920
GST Refundable	-	2,873,832
Other Receivable	1,302,536	1,528,368
	<u>4,169,104</u>	<u>21,555,214</u>

**BOWEN ENERGY PTY LIMITED**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>NOTE-12 OTHER INCOME</b>		
Exchange Fluctuation	33,583,477	7,742,104.34
Interest Earned	57,073	47,564
2KD Settlement	-	-
	<u>33,640,550</u>	<u>7,789,668</u>
Less : Transfer to Project Under commissioning	57,073	47,564
	<u><b>33,583,477</b></u>	<u><b>7,742,104</b></u>
<b>NOTE-13 OTHER EXPENSES</b>		
Accounting Charges	2,976,790	6,013,183
Audit Fees	563,614	2,632,626
Bank Charges	24,980	34,347
Office & Establishment Expenses	4,118,718	4,410,961
Insurance	44,796	52,637
Telephone & Communication	238,442	641,502
Travelling & Conveyance	-	115,243
Statutory Dues	327,936	466,216
Legal & Professional	897,037	966,108
Director Fee	-	-
Commission	-	637,656
Loss on sale of Fixed Assets	16,664,215	3,597,691
Dimunition in value of Investment	740,146	320,676
Depreciation	931,205	6,223,728
Electricity Expenses	-	36,333
Vehicle Repair & Maintenance	6,465	-
Repair & Maintenance	-	147,366
Write down of tenements	-	27,768,080
	<u>27,534,353</u>	<u>54,264,353</u>
Add : Interest & Financial Charges	-	6,664,027
Less : Misc Income	57,073	47,564
	<u>27,477,280</u>	<u>60,880,816</u>
Less : Transfer to project under commissioning	10,072,919	28,556,713
	<u><b>17,404,361</b></u>	<u><b>32,324,103</b></u>

**GOLDEN COUNTRY RESOURCES (AUSTRALIA) PTY LTD.**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

		Figures in INR	
	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	470334.48	470334.48
b) Reseve & Surplus	2	13226632.87	15622229.29
Foreign Currency Transaction Reserve		<u>120303.09</u>	<u>120303.09</u>
		<u><b>13817270.44</b></u>	<u><b>16212866.86</b></u>
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
a) Long-Term Loans & Advances	3	<u>5687968.12</u>	<u>6674130.77</u>
		<u><b>5687968.12</b></u>	<u><b>6674130.77</b></u>
<b>2 Current Assets</b>			
a) Short-Term Loans & Advances	4	<u>8129302.32</u>	<u>9538736.09</u>
		<u><b>13817270.44</b></u>	<u><b>16212866.86</b></u>

The above Financial statement, prepared from the Books of Accounts of Golden Country Resources (Australia) Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**GOLDEN COUNTRY RESOURCES (AUSTRALIA) PTY LTD.**  
**Un-Audited STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS AT 31ST MARCH 2015**

	NOTE NO.	Year Ended 31.03.2015	Figures In INR Year Ended 31.03.2014
<b>INCOME</b>			
Other Income		0.00	15,258,191.32
		<u>0.00</u>	<u>15,258,191.32</u>
<b>EXPENSES</b>			
Other Expenses		2395596.42	-
		<u>2395596.42</u>	<u>-</u>
<b>Profit/(Loss) Befor Tax</b>		<b>(2395596.42)</b>	<b>15,258,191.32</b>
<b>Profit/(Loss) After Tax</b>		<b><u>(2395596.42)</u></b>	<b><u>15,258,191.32</u></b>

The above Financial statement, prepared from the Books of Accounts of Bowen Coal Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

GOLDEN COUNTRY RESOURCES (AUSTRALIA) PTY LTD.  
 NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Figures in INR

	As at 31.03.2015	As at 31.03.2014
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**NOTE-1 SHARE CAPITAL**

Issued, Subscribed & Paid Up 51150 (Previous Year 51150) Ordinary Shares of AUD .20/-each	470334.48	470334.48
	<u>470334.48</u>	<u>470334.48</u>

**Shares in the company held by each shareholder  
 holding more than 5 percent shares  
 ORDINARY SHARES**

Name of Shareholder	No. of Shares held	% of Shares Held	No. of Shares held	% of Shares Held
Bowen Energy Limited	51150	100	51150	100

**NOTE-2 RESERVE & SURPLUS**

Surplus		
Opening Balance	15622229.29	364037.97
Net Profit/(Loss) For the Current Year	(2395596.42)	15258191.32
Net Surplus	<u>13226632.87</u>	<u>15622229.29</u>

**NOTE-3 LONG TERM LOANS AND ADVANCES**

Due from Holding Company	5687968.12	6674130.77
	<u>5687968.12</u>	<u>6674130.77</u>

**NOTE-4 SHORT TERM LOANS AND ADVANCES**

Due from Holding Company	8129302.32	9538736.09
	<u>8129302.32</u>	<u>9538736.09</u>



**BOWEN COAL PTY LTD**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

		Figures In INR	
	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	91.95	91.95
b) Reseve & Surplus	2	1269478.83	1269495.25
Foreign Currency Transaction Reserve		183053.21	183053.21
		<u>1452623.99</u>	<u>1452640.41</u>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Capital Work in Progress		1452529.26	1452529.26
<b>2 Current Assets</b>			
a) Cash and Bank Balances		94.73	111.15
		<u>1452623.99</u>	<u>1452640.41</u>

The above Financial statement, prepared from the Books of Accounts of Bowen Coal Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**BOWEN COAL PTY LTD****Un-Audited STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS AT 31ST MARCH 2015**

			Figures in INR
	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income	3	-	-
		0.00	-
<b>EXPENSES</b>			
Other Expenses	4	16.42	1.85
		16.42	1.85
<b>Profit/(Loss) Befor Tax</b>		(16.42)	(1.85)
<b>Profit/(Loss) After Tax</b>		(16.42)	(1.85)

The above Financial statement, prepared from the Books of Accounts of Bowen Coal Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**BOWEN COAL PTY LTD**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR

	As at 31.03.2015	As at 31.03.2014
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**NOTE-1 SHARE CAPITAL**

Issued, Subscribed & Paid Up 10 (Previous Year 10) Ordinary Shares of AUD .20/- each	91.95	91.95
	<u>91.95</u>	<u>91.95</u>

**Shares in the company held by each shareholder  
holding more than 5 percent shares**

**ORDINARY SHARES**

Name of Shareholder	No. of Shares held	% of Shares Held	No. of Shares held	% of Shares Held
Bowen Energy Limited	10	100	10	100

**NOTE-2 RESERVE & SURPLUS**

Surplus		
Opening Balance	1269495.25	1269497.10
Net Profit/(Loss) For the Current Year	(16.42)	(1.85)
Net Surplus	<u>1269478.83</u>	<u>1269495.25</u>

**NOTE-3 OTHER INCOME**

Exchange Fluctuation	-	-
	<u>-</u>	<u>-</u>

**NOTE-4 OTHER EXPENSES**

Exchange Fluctuation	16.42	1.85
	<u>16.42</u>	<u>1.85</u>

**KONDOR HOLDINGS PTY. LTD.**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

	NOTE NO.	As at 31.03.2015	Figures In INR As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	91.95	91.95
b) Reseve & Surplus	2	203710.26	244794.89
Foreign Currency Transaction Reserve		33164.89	33164.89
		<u>236967.10</u>	<u>278051.73</u>
<b>ASSETS</b>			
<b>1 Current Assets</b>			
a) Cash & Bank Balances		142.10	166.73
b) Short Term Loans & Advances		236825.00	277885.00
		<u>236967.10</u>	<u>278051.73</u>

The above Financial statement, prepared from the Books of Accounts of Kondor Holdings Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**KONDOR HOLDINGS PTY. LTD.****Un-Audited STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS AT 31ST MARCH 2015**

		Figures In INR	
	NOTE NO.	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>INCOME</b>			
Other Income	3	-	-
		-----	-----
		-	-
<b>EXPENSES</b>			
Other Expenses	4	41084.63	4,617.77
		-----	-----
		41084.63	4,617.77
<b>Profit/(Loss) Befor Tax</b>		(41084.63)	(4617.77)
<b>Profit/(Loss) After Tax</b>		<u>(41084.63)</u>	<u>(4617.77)</u>

The above Financial statement, prepared from the Books of Accounts of Kondor Holdings Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**KONDOR HOLDINGS PTY. LTD.**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures in INR  
As at  
**31.03.2014**

**NOTE-1 SHARE CAPITAL**

Issued, Subscribed & Paid Up  
10 (Previous Year 10) Ordinary Shares of AUD 0.20/-  
each

As at 31.03.2015	As at 31.03.2014
91.95	91.95
<u>91.95</u>	<u>91.95</u>

**Shares in the company held by each shareholder  
holding more than 5 percent shares**

**ORDINARY SHARES**

Name of Shareholder	No. of Shares held	% of Shares Held	No. of Shares held	% of Shares Held
Bowen Energy Limited	10	100	10	100

**NOTE-2 RESERVE & SURPLUS**

Surplus  
Opening Balance  
Net Profit/(Loss) For the Current Year  
Net Surplus

244794.89	249412.66
<u>(41084.63)</u>	<u>(4617.77)</u>
<u>203710.26</u>	<u>244794.89</u>

**NOTE-3 OTHER INCOME**

Exchange Fluctuation

-	-
<u>-</u>	<u>-</u>

**NOTE-4 OTHER EXPENSES**

Exchange Fluctuation

41084.63	4617.77
<u>41084.63</u>	<u>4617.77</u>

**BOWEN CONSOLIDATED PTY LTD.**  
**Un-Audited BALANCE SHEET AS AT 31ST MARCH 2015**

		Figures in INR	
	NOTE NO.	As at 31.03.2015	As at 31.03.2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	137.93	137.93
b) Reseve & Surplus	2	(15.72)	8.91
Foreign Currency Transaction Reserve		19.89	19.89
		<u>142.10</u>	<u>166.73</u>
<b>ASSETS</b>			
<b>1 Current Assets</b>			
a) Cash & Bank Balances		142.10	166.73
		<u>142.10</u>	<u>166.73</u>

The above Financial statement, prepared from the Books of Accounts of Bowen Consolidated Pty Ltd, represents true & fair view of the state of affairs of the Company.

Gordon Saul  
(Director)

Anil Ahuja  
(Director)

**BOWEN CONSOLIDATED PTY LTD.**  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Figures In INR

As at 31.03.2015 As at 31.03.2014

**NOTE-1 SHARE CAPITAL**

Issued, Subscribed & Paid Up  
 15 (Previous Year 15) Ordinary Shares of AUD 0.20/-  
 each

137.93	137.93
<u>137.93</u>	<u>137.93</u>

Shares in the company held by each shareholder  
 holding more than 5 percent shares

**ORDINARY SHARES**

Name of Shareholder	No. of Shares held	% of Shares Held	No. of Shares held	% of Shares Held
Bowen Energy Limited	15	100	15	100

**NOTE-2 RESERVE & SURPLUS**

**Surplus**

Opening Balance	8.91	11.69
Net Profit/(Loss) For the Current Year	(24.63)	(2.78)
Net Surplus	<u>(15.72)</u>	<u>8.91</u>

**NOTE-3 OTHER INCOME**

Exchange Fluctuation	-	-
	<u>-</u>	<u>-</u>

**NOTE-4 OTHER EXPENSES**

Exchange Fluctuation	24.63	2.77
	<u>24.63</u>	<u>2.77</u>