TSIL ENERGY LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH, 2018

Rs. in lacs

	Notes	As at 31 March, 2018	As at 31 March, 2017
I. Assets			
(1) Current assets			
(a) Financial assets			
(i) Investments	3	**115.38**	113.23
(ii) Cash and cash equivalents	4	**2.50**	1.69
Total assets		**117.88**	114.92
II. Equity and liabilities			
(1) Equity			
(a) Equity share capital	5	**106.01**	106.01
(b) Other equity	6	**10.00**	7.76
Total equity		**116.01**	113.77
(2) Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	7	**1.87**	1.15
Total current liabilities		**1.87**	1.15
Total liabilities		**1.87**	1.15
Total equity and liabilities		**117.88**	114.92

The accompanying Notes form an integral part of the Standalone Balance Sheet.

This is the Standalone Balance Sheet referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009
Chartered Accountants

For and on behalf of the Board of Directors

Pinaki Chowdhury
Partner

A M Misra
Chairman

Sanjay Kumar Pattnaik
Director

Membership No. 057572

Price Waterhouse & Co. Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Place: Kolkata
Date: 17 April, 2018

TSIL ENERGY LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

Rs. in lacs

		Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
I	**Income**			
	Other income	8	5.15	5.26
	Total income (I)		5.15	5.26
II	**Expenses:**			
	Other expenses	9	2.91	2.26
	Total Expenses (II)		2.91	2.26
III	**Profit before tax (I-II)**		2.24	3.00
IV	**Tax expenses**		-	-
	(1) Current tax		-	-
	(2) Deferred tax		-	-
V	**Profit for the year (III - IV)**		2.24	3.00
VI	**Other comprehensive income/(loss)**			
(A)	Items that may not be reclassified to profit and loss		-	-
	Total other comprehensive income for the year		-	-
VII	**Total comprehensive income/(loss) for the year (VI+VI)**		2.24	3.00
VII	**Earnings per equity share (Face value of Rs. 10 each):**	10		
	(1) Basic (in Rs.)		0.21	0.28
	(2) Diluted (in Rs.)		0.21	0.28

The accompanying Notes form an integral part of the Standalone Statement of Profit and Loss.

This is the Standalone Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
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Chartered Accountants

For and on behalf of the Board of Directors

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Kolkata

Pinaki Chowdhury
Partner

Membership No. 057572

A M Misra
Chairman

Sanjay Kumar Pattnaik
Director

Place: Kolkata
Date: 17 April, 2018

TSIL ENERGY LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2018

Rs. in lacs

A) Equity share capital

(a) Balance as at 31 March, 2016	106.01
(1,060,060 fully paid equity share of Rs.10 each)	
Changes in equity share capital during the year	-
Balance as at 31 March, 2017	106.01
(1,060,060 fully paid equity share of Rs.10 each)	
Changes in equity share capital during the year	-
Balance as at 31 March, 2018	106.01
(1,060,060 fully paid equity share of Rs.10 each)	

Rs. in lacs

B) Other equity

	Reserves and surplus	Items of other comprehensive income		
Particulars	**Retained earnings**	**Equity instruments through other comprehensive income**	**Other items of other comprehensive income**	**Total**
Balance as at 1 April, 2016	4.76	-	-	4.76
Profit for the year	3.00	-	-	3.00
Balance as at 31 March, 2017	7.76	-	-	7.76
Profit for the year	2.24	-	-	2.24
Balance as at 31 March, 2018	10.00	-	-	10.00

The accompanying Notes form an integral part of the Standalone Statement of Changes in Equity.

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009
Chartered Accountants

For and on behalf of the Board of Directors

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FRN 304026E/E-300009
Kolkata

Pinaki Chowdhury
Partner
Membership No. 057572

A M Misra
Chairman

Sanjay Kumar Pattnaik
Director

Place: Kolkata
Date: 17 April, 2018

TSIL ENERGY LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

	Year ended 31 March, 2018	Rs. in lacs Year ended 31 March, 2017
A. Cash flows from operating activities		
Profit for the year	2.24	3.00
Adjustments for		
Dividend from current investments	(5.15)	(5.26)
Operating loss before working capital changes	(2.91)	(2.26)
Movements in working capital		
Increase in trade payables	0.72	0.29
Net cash (used in) operating activities	(2.19)	(1.97)
B. Cash flows from investing activities		
Purchase of current investments	(5.15)	(5.26)
Proceeds from sale of current investments	3.00	-
Dividend received from current investments	5.15	5.26
Net cash generated from / (used in) investing activities	3.00	-
C. Cash flows from financing activities		
Net cash generated from / (used in) financing activities	-	-
Net (decrease) in cash and cash equivalents	0.81	(1.97)
Cash and cash equivalents at the beginning of year(Refer Note 4)	1.69	3.66
Cash and cash equivalents at the end of year(Refer Note 4)	2.50	1.69

The accompanying Notes form an integral part of the Standalone Cash Flow Statement.

This is the Standalone Cash Flow Statement referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009
Chartered Accountants

For and on behalf of the Board of Directors

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FRN 304026E/E-300009
Kolkata

Pinaki Chowdhury
Partner
Membership No. 057572

A M Misra
Chairman

Sanjay Kumar Pattnaik
Director

Place: Kolkata
Date: 17 April, 2018

TSIL ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Company Background

TSIL ENERGY LIMITED ('the Company') is a public limited Company incorporated in India with its registered office at Joda, Odisha, India. The Company is wholly owned subsidiary of TATA SPONGE IRON LIMITED.

The Company was incorporated to primarily engage in generation and sale of power and is yet to carry out such activities.

The functional and presentation currency of the company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The standalone financial statements were approved and authorized for issue with the resolution of the Company's Board of Directors on April 17, 2018.

Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. **Basis of preparation**

   A. Compliance with Ind AS

   The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

   B. Historical Cost Convention

   The standalone financial statements have been prepared on the historical cost basis except for the following:

   i) certain financial assets and liabilities that is measured at fair value;

   C. Current versus Non-current Classification

   The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

   An asset is classified as current when it is:

   i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
   ii) held primarily for the purpose of trading,
   iii) expected to be realised within twelve months after the reporting period, or

iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

i) it is expected to be settled in the normal operating cycle,
ii) it is held primarily for the purpose of trading,
iii) it is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

2. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. Investments (Other than Investments in Subsidiaries) and Other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses is either recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this depends

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on the business model in which the investment is held. For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies the debt investments when and only when the business model for managing those assets changes

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

4. Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

5. Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

6. Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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A. Income from Investments

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income from investments is recognised when the right to receive payment has been established.

7. Earnings per Share

Basic Earnings per Share

Basic earnings per equity share is computed by dividing profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

8. Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Trade Payables

Trade Payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

10. Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lacs (Rs. 00,000) as per the requirement of schedule III, unless otherwise stated.

11. Use of estimates and critical accounting judgments

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that impact the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and

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disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods impacted.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the standalone financial statements.

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Rs. in lacs

(3) Current Investments	As at 31 March, 2018	As at 31 March, 2017
Investment in liquid mutual funds (Unquoted) at FVTPL		
Reliance Liquid Fund - Treasury Plan - Daily Dividend Option (As at 31 March, 2018: 7,543.13 units (as at 31 March, 2017: 7,406.77 units)	115.38	113.23
Total Current Investments	**115.38**	113.23
Aggregate value of unquoted investments	**115.38**	113.23
# Investments carried at fair value through Profit & Loss	115.38	113.23

(3.1) Refer Note 12 for information about fair value measurement, credit risk and market risk on investments.

Rs. in lacs

(4) (i) Cash and cash equivalents	As at 31 March, 2018	As at 31 March, 2017
(a) Balances with scheduled banks		
In current accounts	2.50	1.69
Total cash and cash equivalents	**2.50**	1.69

(b) The details of Specified Bank Notes (SBNs) or other denomination notes, as defined in the MCA notification G.S.R. 308(E) dated 30 March, 2017, held and transacted during the period from 8 November, 2016 to 30 December, 2016 is provided in the table below:

Particulars	SBN's# (Rs.)	Other denomination notes (Rs.)	Total (Rs.)
Closing Cash in hands as on 8 November, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in Banks	-	-	-
Closing Cash in hand as on 30 December, 2016	-	-	-

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November, 2016.

(ii) There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the year end of the current reporting period and prior period.

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Rs. in lacs

(5) Equity share capital	As at 31 March, 2018	As at 31 March, 2017
(a) Authorised:		
10,000,000 fully paid equity shares of Rs. 10 each (As at 31 March, 2017: 10,000,000 equity shares of Rs. 10 each)	1,000.00	1,000.00
	1,000.00	1,000.00
(b) Issued, Subscribed and Fully Paid up :		
1,060,060 Equity shares of Rs. 10 each (As at 31 March, 2017: 1,060,060 equity shares of Rs. 10 each)	106.01	106.01
	106.01	106.01

(c) Fully paid equity shares

	No. of equity shares	Amount Rs. in lacs
As at 1 April, 2016 1,060,060 equity shares of Rs. 10 each)	1,060,060	106.01
Changes in equity share capital during the year	-	-
As at 31 March, 2017 (1,060,060 fully paid equity shares of Rs. 10 each)	1,060,060	106.01
Changes in equity share capital during the year	-	-
As at 31 March, 2018 (1,060,060 fully paid equity shares of Rs. 10 each)	**1,060,060**	**106.01**

(d) Shares held by holding company

	As at 31 March, 2018		As at 31 March, 2017	
	No. of equity shares	%	No. of equity shares	%
Fully paid equity shares				
TATA SPONGE IRON LIMITED (Holding Company)	1,060,060	100%	1,060,060	100%
	1,060,060	100%	1,060,060	100%

(e) Details of shareholders holding more than 5% of outstanding shares

	As at 31 March, 2018		As at 31 March, 2017	
	No. of equity shares	%	No. of equity shares	%
Fully paid equity shares				
TATA SPONGE IRON LIMITED (Holding Company)	1,060,060	100%	1,060,060	100%

(f) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Rs. in lacs

(6) Other equity	As at 31 March, 2018	As at 31 March, 2017
Retained earnings		
Balance at the beginning of the year	7.76	4.76
Profit for the year	2.24	3.00
Balance at the end of the year	10.00	7.76

Rs. in lacs

(7) Trade payables	As at 31 March, 2018	As at 31 March, 2017
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note below)	-	-
(ii) Total outstanding dues of creditor other than micro enterprises and small enterprises		
(a) Trade Payables for supplies and services	1.87	1.15
Total trade payables	1.87	1.15

Notes:

1. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The amount due to the Micro and Small Enterprise as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company, which has been relied upon by the auditors. The disclosure relating to the Micro and Small Enterprise are as under:

Rs. in lacs

	As at 31 March, 2018	As at 31 March, 2017
(a) (i) The principal amount remaining unpaid to supplier as at end of the year	-	-
(ii) Interest due thereon	-	-
(b) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day	-	-
(c) Interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act 2006	-	-
(d) Interest accrued and remaining unpaid	-	-
(e) Further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act 2006	-	-

Refer Note 10 for information about credit risk and market risk on Trade payables

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Rs. in lacs

(8) Other income	**Year ended 31 March, 2018**	Year ended 31 March, 2017
(a) Dividend income		
(i) From Investment in Mutual fund (current)	**5.08**	5.26
(ii) Changes in fair value of financial assests at fair value through profit & Loss(current)	**0.07**	-
	5.15	5.26

(9) Other expenses	**Year ended 31 March, 2018**	Year ended 31 March, 2017
(a) Legal and other professional fees	2.90	2.25
(b) Bank and other charges	0.01	0.01
Total other expenses	2.91	2.26

(9.a) Payments to auditors		
Auditors remuneration		
(i) As auditors - statutory audit	1.32	1.15
(ii) As auditors - quarterly audits	-	0.69
	1.32	1.84

(10) (a) Financial Risk Management:

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments, viz as foreign exchange forward contracts are entered where considered appropriate to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit committee and the Board of Directors. This process provides assurance that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below

(i) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, investments in mutual funds and balances with banks.

Financial Assets that are Neither Past Due Nor Impaired

None of the Company's cash equivalents with banks, loans and investments were past due or impaired as at 31st March,2018 and 31st March, 2017 .

(ii) Liquidity risk management:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintain adequate source of financing. The Company generates sufficient cash flows from current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as long-term.

(a) Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	**Within 1 year Rs. in lacs**	**More than 1 year Rs. in lacs**
As at 31 March, 2018		
Trade payables	1.37	-
Other financial liabilities - current	-	-
As at 31 March, 2017		
Trade payables	1.15	-
Other financial liabilities - current	-	-

(iii) Secuities Price risk:

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds. The carrying amount of the Company's investments designated as at fair value through profit or loss at the end of the reporting period (Refer Note No. 3)

	Impact on Profit Before Tax	
	As at 31 March, 2018	As at 31 March, 2017
NAV -Increase by 1%*	1.15	1.13
NAV -Decrease by 1%*	(1.15)	(1.13)

* Holding all other variables constant

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(b) Capital Management:

(i) Risk Management

The objective of the Company's capital management is to maximise shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through operating cash flows generated and the Company does not have any borrowings. The Company is not subject to any externally imposed capital requirements.

(c) (i) Financial Instruments by Category

Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March, 2018 is as follows:

Rs. In lacs

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Assets:				
Other investments	115.38	-	-	115.38
Cash and cash equivalents	-	-	2.50	2.50
Total	115.38	-	2.50	117.88
Liabilities:				
Trade payables	-	-	1.87	1.87
Total	-	-	1.87	1.87

Financial assets and liabilties

The carrying value of financial instruments by categories as at 31 March, 2017 is as follows:

Rs. in lacs

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Assets:				
Other investments	113.23	-	-	113.23
Cash and cash equivalents	-	-	1.69	1.69
Total	113.23	-	1.69	114.92
Liabilities:				
Trade payables	-	-	1.15	1.15
Total	-	-	1.15	1.15

Fair value measurement:

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March, 2017.

The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) The management assessed that fair values of, current investments, trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), trade payables, and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classifed its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds. The mutual funds are valued using the closing Net Asset Value.

Level 2: The fair value of Financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(Rs. in lacs)

Particulars	**As at 31 March, 2018**	**Fair value measurement at end of the reporting year using**			**Valuation techniques**
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	**115.38**	**115.38**	-	-	Based on the declared NAV.
Total financial assets	**115.38**	**115.38**	-	-	

(Rs. in lacs)

Particulars	As at 31 March, 2017	Fair value measurement at end of the reporting year using			Valuation techniques
		Level 1	Level 2	Level 3	
Financial assets					
Investment in mutual funds	113.23	113.23	-	-	Same as above
Total financial assets	113.23	113.23	-	-	

(11) Earnings per share

	Year ended 31 March, 2018	Year ended 31 March, 2017
Net Profit for the year (Rs. In lacs)	**2.24**	3.00
Weighted average number of equity shares Outstanding durring the year (Nos)	**1,060,060**	1,060,060
Nominal value per equity share (Rupees)	**10**	10
Basic and diluted earnings per share (Rupees)	**0.21**	0.28

Note : The Company did not have any potentially dilulive securities in any of the periods presented.

(12) The Company does not have any pending litigations which would impact its financial position.

(13) Related party transaction

(a) List of Related Parties and relationship

Name of the Related Party	**Relationship**
(i) TATA SPONGE IRON LIMITED	Holding Company
(ii) Tata Steel Limited	Ultimate Holding Company
(iii) Tata Sons Limited	Company having significant influence

(b) Related party transactions/balances : Nil

(14) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(15) Recent Accounting Pronouncements

(a) Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28 March 2018. The rules among other key amendments relate to Ind AS 12, Income Taxes, Ind AS 21, The Effects of Changes in Foreign Exchange Rates, Ind AS 28, Investments in Associates and Joint Ventures, Ind AS 40, Investment Property, and Ind AS 115, Revenue from Contracts with Customers.
These rules come into force from 1 April 2018

The company is evaluating the effect of the same with respect to the changes in the GAAP.

(16) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number - 304026E/E-300009
Chartered Accountants

For and on behalf of the Board of Directors

Price Waterhouse & Co. Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Kolkata

Pinaki Chowdhury
Partner
Membership No. 057572

A M Misra
Chairman

Sanjay Kumar Pattnaik
Director

Place: Kolkata
Date: 17 April, 2018