

# **FINANCIAL STATEMENT**

**2014-15**

**PT AVANEESH COAL RESOURCES**

**PT Avaneesh Coal Resources**  
**Balance Sheet as at March 31, 2015**

Particulars	Note	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	3.1	260,270,928	260,270,928
Reserves and Surplus	3.2	(52,097,677)	(43,886,001)
<b>Share Application money pending allotment</b>		196,118,845	160,999,359
<b>Current liabilities</b>			
Other Current liabilities	3.3	15,144,650	25,940,684
<b>Total</b>		<b>419,436,746</b>	<b>403,324,970</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible Assets	3.4	845,651	5,433,807
Non-current investments	3.5	221,318,265	221,318,265
Long-term loans and advances	3.6	194,564,142	159,576,859
<b>Current assets</b>			
Cash and Bank balances	3.7	482,507	284,747
Short term loans and advances	3.8	740,387	570,588
Other current assets	3.9	1,485,794	16,140,704
<b>Total</b>		<b>419,436,746</b>	<b>403,324,970</b>

**Significant Accounting Policies**

2

The notes are an integral part of these financial statements

As per our Report of even date

**For M.S.Sethi & Associates**  
Chartered Accountants  
Registration No. 109407W

**For PT Avaneesh Coal Resources**

**Manoj Sethi**  
Proprietor  
Membership No. 39784

**Ashutosh Agrawala**  
Authorised Signatory

Place : Mumbai  
Date : May 25, 2015

**Ashwin Purohit**

Place : Mumbai  
Date : May 25, 2015

**PT Avaneesh Coal Resources**  
**Statement of Profit and Loss for the year ended March 31, 2015**

Particulars	Note	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Revenue:			
Other Income	3.10	818,437	1,070,109
<b>Total Revenue</b>		<u><b>818,437</b></u>	<u><b>1,070,109</b></u>
Expenses:			
Finance Cost	3.11	-	110,657
Depreciation	3.12	1,949,669	3,769,393
Other Expenses	3.13	7,080,444	9,460,625
<b>Total Expenses</b>		<u><b>9,030,113</b></u>	<u><b>13,340,675</b></u>
<b>Profit/(Loss) before tax</b>		<b>(8,211,676)</b>	<b>(12,270,566)</b>
Tax expense:			
Current Tax		-	-
<b>Profit/(Loss) for the Year</b>		<u><b>(8,211,676)</b></u>	<u><b>(12,270,566)</b></u>

**Significant Accounting Policies** 2

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## 1. Background

PT Avaneesh Coal Resources incorporated in Indonesia, was established on 2nd August 2010 through Notarial Deed No.2 of Public Notary Mala Mukti, SH, LL.M. The Company is under development stage. The purpose and objective of the Company is to engage in business management and consulting services.

## 2. Significant Accounting policies

### a) Basis of Preparation of Financial Statements

These financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 2013 (the Act) and comply in material aspects with the accounting standards notified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014.

### b) Use of Estimates

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent 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 recognised in the period in which the results are known/materialised.

### c) Tangible Assets and Capital Work-in-progress

Tangible assets are stated at cost of acquisition or construction, including any cost attributable to bringing the assets to their working condition for their intended use. The construction cost includes all project related expenditure, viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental/attribution to construction of project and borrowing cost incurred prior to the date of commercial operation. These expenses are net of recoveries and income (net of tax) from surplus funds arising out of project specific borrowings.

### d) Investments

Long-term investments are stated at cost less provision for diminution other than temporary, if any, in the value of such investments. Current investments are valued at lower of cost and fair value.

### e) Provisions & Contingent Liabilities

Provisions: Provisions are recognised when there is present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

### f) Revenue Recognition

Revenue is recognised when it is reasonably certain that the ultimate collection will be made. Interest on Fixed Deposit and other deposits is recognised on time proportionate basis.

### g) Accounting for Taxes on Income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future.

### h) Cash and Cash Equivalents

In the cash flow statements, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments, with original maturities of three months or less.

### i) Foreign Currency Transactions :

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recorded in the Profit and Loss Statement of account.

Non-monetary items denominated in foreign currency are stated at the rate prevailing on the date of transaction.

**PT Avaneesh Coal Resources**

**Notes to the financial statements for the year ended March 31, 2015 (continued)**

	<b>As at March 31, 2015 Rupees</b>	<b>As at March 31, 2014 Rupees</b>
<b>3.1 Share Capital</b>		
<b>Authorised Share Capital</b>		
21,111,136 (Previous Year : 21,111,136 ) shares of USD 1 each		
<b>Issued Capital</b>		
5,277,784 (Previous Year : 5,277,784) Shares of USD 1 each	260,270,928	260,270,928
	<u>260,270,928</u>	<u>260,270,928</u>
<b>Subscribed and Paid up Capital</b>		
5,277,784 (Previous Year : 5,277,784) Shares of USD 1 each fully paid up	260,270,928	260,270,928
	<u>260,270,928</u>	<u>260,270,928</u>

PT Avaneesh Coal Resources

Notes to the financial statements for the year ended March 31, 2015 (continued)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>3.2 Reserves and Surplus</b>		
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	(43,886,001)	(31,615,435)
Profit / (loss) for the year	(8,211,676)	(12,270,566)
<b>Net surplus/(deficit) in the Statement of Profit and Loss</b>	<u>(52,097,677)</u>	<u>(43,886,001)</u>
<b>Total Reserve and Surplus</b>	<u><u>(52,097,677)</u></u>	<u><u>(43,886,001)</u></u>
<b>3.3 Other Current Liabilities</b>		
Borrowings from Related Party	14,938,100	25,544,478
Other Liabilities	206,550	395,305
Statutory Dues	-	901
	<u><u>15,144,650</u></u>	<u><u>25,940,684</u></u>

PT Avaneesh Coal Resources  
Notes to the financial statements for the year ended March 31, 2015 (continued)

3.4 Tangible Assets and Depreciation

Particulars	Gross Block (At Cost)		Depreciation/Amortisation				Net Block		
	As at April 1, 2014	Deductions during the year	As at March 31, 2015	Up to April 1, 2014	For the year	Deductions during the year	Up to March 31, 2015	As at March 31, 2015	As at March 31, 2014
Office Equipments	4,602,938	82,674	4,520,264	2,830,708	1,134,765	56,402	3,909,071	611,193	1,772,230
Furniture & Fixtures	10,474,636	9,338,593	1,136,043	6,813,059	814,904	6,726,378	901,585	234,458	3,661,577
<b>Total Tangible assets</b>	<b>15,077,574</b>	<b>9,421,267</b>	<b>5,656,307</b>	<b>9,643,767</b>	<b>1,949,669</b>	<b>6,782,780</b>	<b>4,810,656</b>	<b>845,651</b>	<b>5,433,807</b>
Previous year	15,077,574	-	15,077,574	5,874,374	3,769,393	-	9,643,767	5,433,807	-

Rupees

## PT Avaneesh Coal Resources

Notes to the financial statements for the year ended March 31, 2015 (continued)

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
<b>3.5 Non-Current Investments (Non-trade)</b>		
<b>Equity Instruments (unquoted, fully paid-up, at cost)</b>		
In Equity Shares of PT Bryan Bintang Tiga Energi 39,866 equity shares (previous year : 39,866) of IDR 1,000,000 each	221,318,265	221,318,265
	<u>221,318,265</u>	<u>221,318,265</u>
<b>3.6 Long term loans and advances</b> (Unsecured and considered good unless stated otherwise )		
Loans and Advances to Related Parties	194,564,142	159,576,859
	<u>194,564,142</u>	<u>159,576,859</u>
<b>3.7 Cash and Bank Balances</b>		
Cash and Cash Equivalents		
Bank Balance in current account	482,507	284,747
	<u>482,507</u>	<u>284,747</u>
<b>3.8 Short term loans and advances</b> (Unsecured and considered good unless stated otherwise )		
Loans and Advances to Related Parties	740,387	570,588
	<u>740,387</u>	<u>570,588</u>
<b>3.9 Other Current Assets</b> (Unsecured considered good)		
Security deposits	7,135	1,739,890
Prepaid Expenses	1,478,659	14,400,814
	<u>1,485,794</u>	<u>16,140,704</u>



## PT Avaneesh Coal Resources

## Notes to the financial statements for the year ended March 31, 2015 (continued)

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
<b>3.10 Other income</b>		
Gain on foreign exchange fluctuations	818,437	45,783
Other income	-	1,024,326
	<u>818,437</u>	<u>1,070,109</u>
<b>3.11 Finance Cost</b>		
Bank and Other Finance Charges	-	110,657
	<u>-</u>	<u>110,657</u>
<b>3.12 Depreciation</b>		
Depreciation of tangible assets	1,949,669	3,769,393
	<u>1,949,669</u>	<u>3,769,393</u>
<b>3.13 Other expenses</b>		
Legal and Professional Charges	344,134	506,506
Statutory Audit Fees	262,933	-
Telephone Expenses	386,300	1,994,141
Rent	1,830,034	5,228,894
Insurance	216,361	236,979
Rates & Taxes	-	12,342
Loss on sale of assets	2,252,782	-
Share in loss of investments	1,313,242	-
Miscellaneous Expenses	474,658	1,481,763
	<u>7,080,444</u>	<u>9,460,625</u>