

27th
Annual Report
2016 - 17



Monnet Ispat & Energy Limited

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BOARD OF DIRECTORS

Chairman, Managing Director & CEO

Sandeep Jajodia

Non-Executive Independent Directors

Suman Jyoti Khaitan

Kunal Sharma

Ankita Wadhawan

Nominee Director-IDBI Bank

Shantanu Prasad

Other Non-Executive Director

Jagdamba Prasad Lath

Chief Financial Officer

Sanjay Kumar Garodia

Company Secretary

Hardeep Singh

BOARD COMMITTEES

Audit Committee

Suman Jyoti Khaitan Chairman

J.P. Lath Member

Kunal Sharma Member

Ankita Wadhawan Member

Hardeep Singh Secretary

Stakeholders Relationship Committee

J.P. Lath Chairman

Sandeep Jajodia Member

Hardeep Singh Member

Nomination and Remuneration Committee

Suman Jyoti Khaitan Chairman

J.P. Lath Member

Kunal Sharma Member

Hardeep Singh Secretary

Corporate Social Responsibility Committee

Sandeep Jajodia Chairman

J.P. Lath Member

Suman Jyoti Khaitan Member

Finance Committee

J.P. Lath

Sandeep Jajodia

Executive Committee

J.P. Lath

Sandeep Jajodia

BANKERS

IDBI Bank Limited

Punjab National Bank

State Bank of Bikaner & Jaipur

State Bank of India

State Bank of Patiala

State Bank of Mysore

AUDITORS

O.P. Bagla & Company

Chartered Accountants, New Delhi

REGISTERED OFFICE & RAIPUR WORKS

Monnet Marg, Mandir Hasaud, Raipur,

Chattisgarh-492101

RAIGARH WORKS

Village Naharpali, Tehsil Kharsia, Distt.

Raigarh, Chattisgarh

INVESTOR SERVICE GRIEVANCE CENTER

Hardeep Singh (Compliance Officer)

Monnet House, 11, Masjid Moth,

Greater Kailash, Part-II,

New Delhi-110048

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E-mail: isc_miel@monnetgroup.com

CORPORATE OFFICE

Monnet House, 11 Masjid Moth,

Greater Kailash-II,

New Delhi-110048 INDIA

CORPORATE WEBSITE

www.monnetgroup.com

DIRECTORS' REPORT

To the Members,

Your Directors hereby submits the 27th (Twenty-Seventh) Annual Report on the business and operations of your Company, along with the Audited Financial Statements, for the financial year ended 31st March, 2017 (year under review).

1. FINANCIAL SUMMARY

The Financial summary and performance Highlights of your Company, for the year under review are as follows:

(Rs. in Crores)

| FINANCIAL YEAR | STANDALONE | | CONSOLIDATE | |
|--|------------|------------|-------------|------------|
| | 2016 -2017 | 2015 -2016 | 2016 -2017 | 2015 -2016 |
| Gross Sales and other Income | 1,408.62 | 2,103.12 | 1,412.37 | 2,107.91 |
| Profit before Interest, Depreciation, Tax & Exceptional Item | (52.09) | (290.51) | (370.79) | (402.50) |
| Depreciation and amortization | 356.36 | 358.72 | 359.66 | 364.19 |
| Interest | 1,110.45 | 965.90 | 1,133.83 | 1,067.35 |
| Profit/(Loss) from Operations | (1,518.90) | (1,615.13) | (1,864.28) | (1,834.04) |
| Exceptional Items | 209.90 | 89.75 | 262.98 | 84.01 |
| Provision for Tax | 5.06 | - | 5.06 | - |
| Profit/(Loss) after Tax | (1,733.86) | (1,704.74) | (2,132.32) | (1,917.36) |
| Share of Loss Transferred to Minority | - | - | 2.74 | 10.35 |
| Owners of the Company | (1,733.86) | (1,704.74) | (2,129.58) | (1,907.01) |
| Profit/(Loss) after Tax | (1,733.86) | (1,704.74) | (2,132.32) | (1,917.36) |
| Other Comprehensive Income | (4.09) | (0.94) | (3.67) | (0.78) |
| Total Comprehensive Income(Net of Tax) | (1,737.95) | (1,705.68) | (2,135.99) | (1,918.14) |
| Balance of Profit(Loss) brought Forward | (1,024.08) | 655.10 | (1,331.54) | 516.75 |
| Amount Available for appropriation | - | - | - | - |
| Balance of Profit carried forward to next year | (2,757.94) | (1,050.58) | (3,339.41) | (1,401.39) |
| Other Equity (Reserves & Surplus) | (1,346.68) | 391.27 | (1,802.46) | 212.75 |

Previous year's figures have been regrouped/ rearranged wherever considered necessary.

2. FINANCIAL AND OPERATIONAL PERFORMANCE

Standalone Financials

During the year under review, your Company's revenue from operations was Rs. 1375.08/- Crores . Further, in the Financial Year ended 31st March, 2017, the profit before tax (PBT) was negative and stands at Rs. (-)1728.80/-crore as against Rs. (-)1704.88/-crore in the previous year and profit after tax (PAT) was Rs. (-) 1733.86/-crore against Rs. (-) 1704.74/-crore in the previous financial year.

Consolidated Financials

During the year under review, your Company's revenue from operations was Rs. 1375.08/- Crores . Further, in the Financial Year ended 31st March, 2017, the profit before tax (PBT) was negative and stands at Rs. (-)2127.26/- crore as against Rs. (-)1918.05/- crore in the previous year and profit after tax (PAT) was Rs. (-) 2132.32/- crore against Rs. (-) 1917.36/- crore in the previous financial year.

Further, there has been no change in the nature of business during the year under review.

3. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Strategic Debt Restructuring (SDR) in terms of the RBI Circular reference no. DBR.BP.BC.No.101/21.04.132 /2014-15 dated June 08, 2015, commenced on August 22, 2015 and expired on February 21, 2017 after completion of the 18 months as per the provisions of the aforesaid circular.

During this period, the lenders initiated two rounds of bidding and one bid was received in each of the two rounds with the bid received in the second round being superior in all respects. Though the second round of bidding got over in February, 2017, the lenders could not decide on the same and kept it pending.

In the meantime, SBI as the leader of the consortium of lenders, has filed a petition with National Company Law Tribunal (NCLT) under Insolvency & Bankruptcy

Code (IBC) for a resolution of the financial difficulties faced by the Company. This was done after the meeting of the company's lenders held on June 21, 2017.

We find this to be a positive development as it is expected to not only address recoverability of the lenders' loans but also make available the necessary financial resources for future growth prospects of the company.

There has been no further material change and commitments occurred, between the end of the financial year of the Company i.e. 31st March, 2017 and the date of this report affecting financial position of the Company, apart from the above.

4. SHARE CAPITAL

There was no change in the Company's share capital during year under review.

The authorized share capital of the Company as at 31st March, 2017 was Rs. 3,86,00,00,000/- (Rupees Three Hundred Eighty Six Crore Only). The Company's Issued, Subscribed and Paid-up share capital as on 31st March, 2017 was Rs. 3,75,78,54,834/- (Rupees Three Hundred Seventy Five Crore Seventy Eight Lacs Fifty Four Thousand Eight Hundred Thirty Four Only), divided into 20,07,68,242 (Twenty Crore Seven Lacs Sixty Eight Thousand Two Hundred Forty Two Only) equity shares of Rs. 10/- Rupees Ten Only) Each and preference share at 1,75,00,000 (One Crore Seventy Five Lacs Only), 6.5% Cumulative Non-Convertible redeemable preference shares of Rs. 100/- (Rupees Hundred Only) each.

5. NON-CONVERTIBLE DEBENTURES

The company has 9200 Secured Redeemable Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each aggregating to Rs. 920.00 Crores, the details of NCDs are given in the Note No 16(b) of the Standalone Financial Statement.

6. CREDIT RATING

Your Company's credit rating was rated as "CARE D" for the long-term debt/facilities/NCDs rated by Credit Analysis & Research Ltd. (CARE). However the same was suspended by them during the year.

7. DIVIDEND AND RESERVES

In view of the losses incurred by the Company, Board has not recommended any Dividend for the year under review. Accordingly, the Company has not transferred any amount to reserve.

8. PUBLIC DEPOSITS

Your Company has neither accepted nor renewed any deposits falling within the purview of section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year

There is no unclaimed or unpaid deposit lying with the Company.

9. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2017, your Company has (10) ten subsidiary Companies (including 4 step-down subsidiaries), 4 joint ventures and 1 associate Company. The consolidated financial statements presented by the Company include financial information of its Subsidiaries, Joint Ventures and Associate Companies except one Joint Venture, Mandakini Coal Company Ltd. and one associate company, Orissa Sponge Iron and Steel Ltd. and prepared in compliance with applicable Ind AS. During the year, the Company started the process of liquidation of Monnet Overseas Limited, which completed on 14th May, 2017. A gist of financial performance of these companies is contained in form AOC-1 and forms the part of this report and annexed as **Annexure 1**.

The Annual Accounts of the subsidiary Companies are open for inspection by any Shareholder at the Company's Registered Office situated at Monnet Marg, Mandir Hasaud, Raipur-492101, Chhattisgarh and the Company will make available these documents and the related detailed information upon request by any Shareholder of the Company or any Shareholder of its Subsidiaries, Joint ventures and Associate Companies who may be interested in obtaining the same.

Further, the Consolidated Financial Statements of your Company and all its subsidiaries, joint ventures and associate Company for the year under review is prepared in compliance with the applicable provisions of the Companies Act, 2013, Ind AS on Consolidated Financial Statements and the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulation, 2015") which forms part of the Annual Report.

The Policy for determining material subsidiaries as approved may be accessed on the Company's Website in investor section:

http://www.monnetgroup.com/pdfs/others/miel/Policy_on_Material_Subsiary-MIEL.pdf

10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

State Bank of India (SBI) as the leader of the consortium of lenders, has filed a petition with National Company Law Tribunal (NCLT) under Insolvency & Bankruptcy Code (IBC) for a resolution of the financial difficulties faced by the Company. This was done after the meeting of the company's lenders held on June 21, 2017.

11. INTERNAL FINANCIAL CONTROLS

Internal Control systems are the integral part of Company's corporate governance. Your Company has effective internal control environment. Control systems have documented policies, checks and balances, guidelines and procedures that are supplemented by robust internal audit processes and monitored continuously by periodical reviews by management which provides reasonable assurance that all assets are safeguarded; transactions are authorized, recorded and reported properly. Your Company has an independent MIS and Audit Department to oversee the day-to-day functioning of the Company. The Company has proper budgeting system and the actual performance is continuously evaluated and the corrective measures are taken from time to time. The internal control system is designed to ensure that all Financial and other records are reliable for preparing Financial Statements, other data and for maintaining accountability of assets.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Resignations of Directors During the year

During the year under review IDBI Bank Ltd. withdrew its Nominee Director Mr. Suresh Kishanchand Khatnagar and accordingly Mr. Suresh Kishanchand Khatnagar resigned w.e.f. 27th November, 2016. Ms. Bhawna Thakur and Mr. Amit Dixit, Directors in the capacity of Independent Director resigned w.e.f. 09th December, 2016, and 06th December, 2016,

respectively. Further, Mr. C.P. Baid, Whole-time Director, resigned w.e.f. 31st March, 2017.

Appointments of Directors During the year

During the year under review, Mr. Shantanu Prasad was appointed as Nominee Director of IDBI Bank Limited w.e.f. 09th December, 2017. Ms. Ankita Wadhawan was appointed as Additional Director in the capacity of Independent Director w.e.f. 31st March, 2017 and Mr. Kunal Sharma was appointed as Additional Director in Independent Category w.e.f. 14th February, 2017. Further, Mr. Sandeep Jajodia was reappointed as Chairman and Managing Director of the Company w.e.f. 31st March, 2017.

Directors Seeking Appointment/Re-appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. J.P. Lath (holding DIN-00380076), Director, retires by rotation and being eligible has offered himself for re-appointment.

Further, your Directors recommends regularization of Mr. Shantanu Prasad, Nominee Director, as Director of the Company, Ms. Ankita Wadhawan and Mr. Kunal Sharma as Director of the Company in the capacity of Independent Directors and reappoint Mr. Sandeep Jajodia as Chairman and Managing Director of the Company. The brief resume of Directors seeking appointment/re-appointment and other details as required under SEBI Regulations 2015 are provided in the Notice of Annual General Meeting of the Company.

Key Managerial Personnel

Pursuant to the provisions of Section 2(51) & 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company are :-

1. Mr. Sandeep Jajodia – Chairman & Managing Director & CEO
2. Mr. Sanjay Kumar Garodia – Chief Financial Officer
3. Mr. Hardeep Singh – Company Secretary

Mr. Raj Kumar Ralhan, Chief Financial Officer was appointed on 30th May, 2016. Further, he resigned on 09th December, 2016. Mr. Sanjay Kumar Garodia, Chief Financial Officer of the Company was appointed on 14th February, 2017.

During the period under review, Mr C.P. Baid was appointed as Director w.e.f. 07th November, 2016. Further, his designation was changed to Whole-time

Director w.e.f. 09th December, 2016. Mr. C.P. Baid resigned w.e.f. 31st March, 2017.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year 2016-17 and of the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a going concern basis;
- e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial control are adequate and were operating effectively; and
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

14. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations 2015, the Board has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

Schedule IV to the Companies Act, 2013 also provides for the performance evaluation of Independent

Directors by the entire Board of Directors, excluding the Directors being evaluated.

After performance evaluation of the Independent Directors, the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The manner in which the evaluation of the Board, its Committees and individual Directors has been carried out is explained in the Corporate Governance Report which forms part of this Annual Report.

15. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 6(Six) Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

16. COMMITTEES OF THE BOARD

As on March 31, 2017, the Board has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee.
5. Executive Committee
6. Finance Committee
7. Allotment Committee

During the year, the Board approved the merger of Share Transfer Committee into Stakeholders Relationship Committee.

The details of the Committees along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report. Further, during the year under review, the board has accepted all the recommendations of the Audit Committee.

17. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received the necessary declaration from each Independent Director that he/she meets the criteria of Independence as laid out in Section 149(6) of the Companies Act, 2013 read with the Schedules, rules made thereunder and Regulation 25 of SEBI Listing Regulations, 2015.

18. NOMINATION AND REMUNERATION POLICY

Pursuant to applicable provisions of section 134(3)(e) and Section 178(3) of the Companies Act, 2013 & SEBI Listing Regulations, 2015, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members including the criteria for determining qualification, positive attributes, independence of directors and other matters. The details of this policy are explained in the Corporate Governance Report which forms the part of this Annual Report.

The Nomination and Remuneration Policy, as approved by the Board of Directors, has also been uploaded on the website of the Company VIZ:- http://www.monnetgroup.com/pdfs/others/miel/Policy_on_Nomination%20_Remuneration_and_Board-MIEL.pdf

19. VIGIL MECHANISM CUM WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism Cum Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report. The same has also been displayed on the website of the Company VIZ: http://www.monnetgroup.com/pdfs/others/miel/Policy_on_Vigil_Mechanism-MIEL.pdf

20. RELATED PARTY TRANSACTIONS

All related party transactions entered during the financial year ended March 31, 2017 were on arm's length basis and in the ordinary course of business and, therefore, do not attract the provisions of Section 188 of the Companies Act, 2013. Further, there were no materially significant transactions between the Company and related parties during the year under

review and suitable disclosures as required by the Ind AS has been made in the notes to the accompanying Financial Statements. In this regard, disclosure in Form AOC-2 in terms of Section 134(3)(h) of the Companies Act, 2013 is attached herewith as **Annexure - 2** and form part of the report.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz:
http://www.monnetgroup.com/pdfs/others/mi-el/Policy_on_Related_Party_Transactions.pdf

21. CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended up to date, the Company has formed Corporate Social Responsibility ("CSR") Committee. Details of CSR Committee along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report. The policy on CSR as approved by the Board of Directors is also uploaded on the website of the Company i.e.
www.monnetgroup.com.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it is required to spend two percent of the average net profit of the Company for three immediately preceding financial years. The average net profits for three financial years was Rs. (-)849.77crore. As the average net profit of the company during previous three financial years is negative, the company is not required to spend any amount for the purpose of CSR during the year under review.

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, have been annexed as **Annexure-3** and forms integral part of this Report

22. AUDITORS

a) Statutory Auditor

At the Annual General Meeting held on September 27, 2014, M/s. O.P. Bagla & Co., Chartered Accountants (Firm Registration No. 000018N) were appointed as the Statutory Auditors of the Company to hold the office till the conclusion of Annual General Meeting to

be held in the calendar year 2017, subject to the ratification of shareholders at every Annual General Meeting.

In terms of section 139, no listed company shall appoint or re-appoint an audit firm in the same company for more than two terms of five consecutive years. Every company, which was following under the provision of this Act was required to comply with the same within three years of commencement of the Companies Act, 2013. Therefore, the existing Statutory Auditor of the company, M/s O.P. Bagla & company, Statutory Auditors can only be appointed for maximum tenure of three years. As such, they are not eligible for being re-appointed as Statutory Auditor. Pursuant to recommendation of Audit Committee of the Board of Directors, M/s APAS & Co., Chartered Accountants (Registration No.000340C), be and hereby appointed as Auditors of the Company, to hold such office from conclusion of ensuing Annual General Meeting until conclusion of 32nd Annual General Meeting, (subject to ratification of the appointment by the members at every AGM held after this AGM) to conduct audit at a remuneration that may be fixed by the Board of Directors who are duly authorized to finalize the same plus service tax as applicable and reimbursement of out-of-pocket expenses incurred.

Comments/Qualifications of the Statutory Auditors in their report and the notes forming part of the Accounts are self-explanatory. Management representations to these qualifications/comments are as follows:

- A. Matter of Emphasis in the Audit Report on Standalone Financial Statement and Comments of Management thereon :-

Emphasis of Matter

1. We draw attention to the following matters in the Notes to the financial statements:
 - (a) Cancellation of coal blocks of the Company: The Company had invested directly or through Joint Ventures, an aggregate amount of Rs.109.04 crores in five coal blocks which have been cancelled pursuant to court order. No adjustment has been made against impairment of assets since the final compensation amount is not yet ascertained / under litigation.

Management Response: The Coal Block was cancelled pursuant to the decision of the Hon'ble Supreme Court to de-allocate all coal block in the Country. The impact on the financial wealth of the Company is due to loss of advantage of concessional coal coming from the coal block. The Company is now exposed to market rates of Coal.

- (b) The Company has accumulated losses resulting in erosion of net worth and has incurred net cash losses in the current and immediately preceding financial year. The current liabilities of the Company exceeded its current assets as at the balance sheet date. The lenders have implemented SDR, whereby they have taken 51% stake in the Company through part conversion of the existing debt. As per terms of the scheme, the lenders will take steps to identify a new investor to take over management control of the company. The single largest bid generated in the second round of bidding held in February, 2017, is reportedly pending with the lenders for their consideration. Besides this, other steps are also, being taken to augment the financial resources to ramp up the operations. In view of the same, these financial statements have been prepared on going concern basis.

Management response: Due to adverse condition in Steel industry on account of drastic fall in prices of steel the company has suffered losses in the last three years which is impacting the net worth of the Company. However, this may not constitute as a doubt on the continuity of the Company as going concern as the lenders have initiated the process of Strategic Debt Restructuring (SDR) for revival of the company and further State Bank of India (SBI) as leader of consortium of lenders has held a petition with National Company Law Tribunal (NCCT) under in solvency and Bankruptcy Code (IBC) for a resolution for the financial difficulties face by the company.

- B. Basis for Qualified Opinion in the Audit Report on Consolidated Financial Statement and Comments of Management thereon –

- (a) In one of the Subsidiary Companies, Monnet

Power Company Limited, Long term and short term borrowings are continued to be classified as non-performing by most of the lenders and actual liability towards interest etc. is pending to be crystalized. In view of uncertainty the company has not provided interest including penal interest and other dues upto 31.03.2017 on such borrowings, to the extent the same has remained unpaid. Had the interest been provided, loss for the year and previous year would have been higher by Rs. 578.45 crores and Rs. 432.15 crores respectively (based on prevailing terms & conditions of lending) with an increase in liability/borrowings and corresponding decrease in other equity of Rs.1010.60 crores for the year ended 31st March, 2017.

Management response: As reported in the last Consolidated Balance Sheet the project of Monnet Power Company Limited, one of the subsidiary of the Company continued to be stalled. The lenders are running the process of auctioning the power plant which is under process. Since the project does not have any cash flows, the serviceability of the debt is also not met. It is expected that the bidding process of the banks, based on the current status may conclude by first half of current financial year, subject to the agreement on the terms and conditions between the lenders and the potential buyer. As the interest is not being served, therefore, the management decided to provide for interest due as and when the project is revived and treatment of debt and interest is decided by the lenders.

- (b) Financial statements of one joint venture company, Mandakini Coal Company Ltd have not been received for the year ended 31st March, 2017. The last available financial statements of the company have been considered in the consolidated financial statements.

Management response: The Company is pursuing with both the companies for the Balance Sheet for F.Y.-2017. However, both the companies were unable to provide the same.