

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TSIL ENERGY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TSIL ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 prescribed under section 133 of the Act, as applicable.

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 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 thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements 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 the 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. An audit also includes evaluating the appropriateness of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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; (Refer Note 12)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note 13)
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. (Refer Note 14)
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order' / 'CARO 2016') issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)

Alka Chadha
Partner
(Membership No. 93474)

Kolkata, 25 April, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TSIL ENERGY LIMITED** ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.302009E)

Alka Chadha
Partner
(Membership No. 93474)

Kolkata, 25 April, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

- (i) The Company does not have any fixed assets and accordingly reporting under sub-clause (a), (b) and (c) of clause (i) of CARO 2016 Order is not applicable.
- (ii) The Company does not have any inventories and accordingly reporting under clause (ii) of CARO 2016 Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence reporting under clause (iii) of the CARO 2016 is not applicable.
- (iv) The Company has not granted any loans, made investment or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from public and accordingly reporting under clause (v) of CARO 2016 Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues relating to Income-tax, however considering the nature of activities of the Company's business, the provisions of the Acts relating to the Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues are not applicable.
 - (b) There were no undisputed amounts payable in respect of Income-tax, however considering the nature of activities of the Company's business the provisions of the Acts relating to Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory are not applicable to the Company.

- (c) There were no dues of Income-tax which have not been deposited on account of any dispute, however considering the nature of activities of the Company's business the provisions of the Acts relating to Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax are not applicable to the Company.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid / provided any managerial remuneration and accordingly reporting under clause (xi) of CARO 2016 is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 302009E)

Alka Chadha
Partner
(Membership No. 93474)

Kolkata, April 25, 2016

TSIL ENERGY LIMITED**BALANCE SHEET**

AS AT MARCH 31, 2016

In Rupees

| | Notes | As at March 31, 2016 | As at March 31, 2015 |
|--|-------|-------------------------|-------------------------|
| (I) EQUITY AND LIABILITIES | | | |
| (1) SHAREHOLDERS FUND | | | |
| (a) Share capital | 03 | 10,600,600 | 10,600,600 |
| (b) Reserves and surplus | 04 | 475,940 | 310 |
| | | 11,076,540 | 10,600,910 |
| (2) CURRENT LIABILITIES | | | |
| (a) Trade payables | | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | 05 | - | - |
| (ii) Total outstanding dues of creditor other than micro enterprises and small enterprises | 05 | 85,875 | 84,270 |
| | | 85,875 | 84,270 |
| TOTAL EQUITY AND LIABILITIES | | 11,162,415 | 10,685,180 |
| (II) ASSETS | | | |
| (1) CURRENT ASSETS | | | |
| (a) Current investments | 06 | 10,796,741 | 10,234,606 |
| (b) Cash and cash equivalents | 07 | 365,674 | 450,574 |
| TOTAL ASSETS | | 11,162,415 | 10,685,180 |

See accompanying notes 1 - 15 forming an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

A M Misra
Chairman

Alka Chadha
Partner

D P Deshpande
Director

Kolkata, 25 April 2016

Kolkata, 25 April 2016

TSIL ENERGY LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2016

In Rupees

| | Notes | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|---|-------|------------------------------|------------------------------|
| I INCOME | | | |
| Other Income | 08 | 562,135 | 620,091 |
| | | 562,135 | 620,091 |
| II EXPENSES | | | |
| Other expenses | 09 | 86,505 | 125,274 |
| Total Expenses | | 86,505 | 125,274 |
| III PROFIT BEFORE TAX (I-II) | | 475,630 | 494,817 |
| IV TAX EXPENSES | | - | - |
| V PROFIT AFTER TAX (III - IV) | | 475,630 | 494,817 |
| VI EARNINGS PER EQUITY SHARE (Rupees) | | | |
| Basic and Diluted Earnings Per Share [Face value Rs. 10 each] | 10 | 0.45 | 0.47 |

See accompanying notes 1 - 15 forming an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

A M Misra
Chairman

Alka Chadha
Partner

D P Deshpande
Director

Kolkata, 25 April 2016

Kolkata, 25 April 2016

TSIL ENERGY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

| | Year Ended March 31, 2016 | In Rupees Year Ended March 31, 2015 |
|---|--------------------------------------|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxes | 475,630 | 494,817 |
| <i>Adjustments for</i> | | |
| Dividend from current investments | (562,135) | (620,091) |
| Operating loss before working capital changes | (86,505) | (125,274) |
| <i>Changes in working capital</i> | | |
| <i>Adjustments for increase / (decrease) in operating liabilities</i> | | |
| Trade payables | 1,605 | - |
| Net cash utilised in operating activities | (84,900) | (125,274) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of current investments | (562,135) | (10,420,147) |
| Proceeds from sale of current investments | - | 10,102,554 |
| Dividend received from current investments | 562,135 | 620,091 |
| Net cash from investing activities | - | 302,498 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net cash from financing activities | - | - |
| Net increase / (decrease) in cash and cash equivalents | (84,900) | 177,224 |
| Cash and cash equivalents as at April 1 ¹ | 450,574 | 273,350 |
| Cash and cash equivalents as at March 31 ¹ | 365,674 | 450,574 |

Notes:

1. Includes balance in current accounts with banks as disclosed in note 7.
2. Figures in brackets represent outflows.

See accompanying notes 1 - 15 forming an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

A M Misra
Chairman

Alka Chadha
Partner

D P Deshpande
Director

Kolkata, 25 April 2016

Kolkata, 25 April 2016

TSIL ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

01 CORPORATE INFORMATION

TSIL Energy Limited on November 20, 2012, is a wholly owned subsidiary of Tata Sponge Iron Limited. The Company has its registered office located at Bileipada, Joda.

02 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under the Companies Act, 1956 ("1956 Act")(which is deemed to applicable in respect of section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(a) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(b) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term deposits (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(c) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(d) Revenue Recognition

Interest Income

Interest income is recognised on a time proportion basis based on the amount outstanding and the rate applicable.

Dividend Income

Dividend income is accounted for when the right to receive it is established.

(e) Tangible Assets

All tangible assets are valued at cost less depreciation. The cost of an asset includes the purchase cost of materials, including import duties and non refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

(f) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and non refundable taxes, and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

(g) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(h) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

TSIL ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

02 SIGNIFICANT ACCOUNTING POLICIES

(i) Taxes on Income

Current Taxes

Provision for current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Taxes

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(i) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

| 03 SHARE CAPITAL | In Rupees | |
|---|---------------------------------|-------------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Authorised: | | |
| 10,000,000 Equity Shares of Rs. 10 each <i>(As at March 31, 2015: 10,000,000 Equity Shares of Rs. 10 each)</i> | 100,000,000 | 100,000,000 |
| | 100,000,000 | 100,000,000 |
| Issued, Subscribed and Fully Paid up : | | |
| 1,060,060 Equity Shares of Rs. 10 each <i>(As at March 31, 2015: 1,060,060 Equity Shares of Rs. 10 each)</i> | 10,600,600 | 10,600,600 |
| | 10,600,600 | 10,600,600 |

(a) Reconciliation of Number of shares

| | For the Year Ended March 31, 2016 | | For the Year Ended March 31, 2015 | |
|--|--|-----------------------------|--------------------------------------|-----------------------------|
| | No. of equity shares | Amount In Rupees | No. of equity shares | Amount In Rupees |
| Issued, subscribed and fully paid | | | | |
| At the beginning of the year | 1,060,060 | 10,600,600 | 1,060,060 | 10,600,600 |
| Issued during the year | - | - | - | - |
| At the end of the year | 1,060,060 | 10,600,600 | 1,060,060 | 10,600,600 |

(b) Shares held by holding company

| Shareholder | As at March 31, 2016 | | As at March 31, 2015 | |
|--|---------------------------------|----------------|---------------------------------|----------|
| | No. of equity shares | % | No. of equity shares | % |
| Tata Sponge Iron Limited (Holding Company) | 1,060,060 | 100.00% | 1,060,060 | 100.00% |
| | 1,060,060 | 100.00% | 1,060,060 | 100.00% |

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

| Shareholder | As at March 31, 2016 | | As at March 31, 2015 | |
|--------------------------|---------------------------------|----------------|---------------------------------|----------|
| | No. of equity shares | % | No. of equity shares | % |
| Tata Sponge Iron Limited | 1,060,060 | 100.00% | 1,060,060 | 100.00% |

TSIL ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(d) 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.

04 RESERVES AND SURPLUS

| | In Rupees | |
|--|-----------------------|-----------------------|
| | As at | As at |
| | March 31, 2016 | March 31, 2015 |
| Balance in Statement of Profit and loss | | |
| Balance at the beginning of the year | 310 | (494,507) |
| Profit for the year | 475,630 | 494,817 |
| Balance at the end of the year | 475,940 | 310 |

05 TRADE PAYABLES

| | In Rupees | |
|---|-----------------------|-----------------------|
| | As at | As at |
| | March 31, 2016 | March 31, 2015 |
| (i) Total outstanding dues of micro enterprises and small enterprises (See Note below) | - | - |
| (ii) Total outstanding dues of creditor other than micro enterprises and small enterprises | | |
| Creditors for supplies and services | 85,875 | 84,270 |
| Total Trade payables | 85,875 | 84,270 |

Note:

There are no amounts outstanding in relation to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at the end of the year based on the information available with the Company.

TSIL ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

| 06 CURRENT INVESTMENTS (Lower of cost and fair value) | In Rupees | |
|---|---------------------------------|---------------------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Investments in Mutual Funds (Unquoted) | | |
| Reliance Liquid Fund - Treasury Plan - Daily Dividend Option | 10,796,741 | 10,234,606 |
| Total Current Investments | 10,796,741 | 10,234,606 |
| Additional Details | | |
| Aggregate value of Unquoted Investments | 10,796,741 | 10,234,606 |

| 07 CASH AND CASH EQUIVALENTS | In Rupees | |
|--|---------------------------------|---------------------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Balances with banks | | |
| In current accounts | 365,674 | 450,574 |
| Total Cash and cash equivalents | 365,674 | 450,574 |

| 08 OTHER INCOME | In Rupees | |
|--|--------------------------------------|--------------------------------------|
| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
| Dividend income from current investments | 562,135 | 620,091 |
| | 562,135 | 620,091 |

| 09 OTHER EXPENSES | In Rupees | |
|--|--------------------------------------|--------------------------------------|
| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
| (a) Other expenses | | |
| (1) Auditors remuneration - for statutory audit ¹ | 85,875 | 84,270 |
| (2) Filing and other fees | - | 6,349 |
| (3) Certification charges | - | 34,500 |
| (4) Bank and other charges | 630 | 155 |
| Total Other expenses | 86,505 | 125,274 |

1 Auditors remuneration is inclusive of service tax and cess thereon

TSIL ENERGY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****10 EARNINGS PER SHARE**

| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|--|--------------------------------------|------------------------------|
| Profit for the year (Rupees) | 475,630 | 494,817 |
| Weighted average number of equity shares (Nos) | 1,060,060 | 1,060,060 |
| Face value per equity share (Rupees) | 10 | 10 |
| Basic and diluted earnings per share (Rupees) | 0.45 | 0.47 |

11 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 |

(b) Related party transactions : NIL

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

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

14 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

15 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

A M Misra
Chairman

D P Deshpande
Director

Kolkata, 25 April 2016