



Independent Auditor's Report to the members of SMS Bhatgaon Mines Extension Private Limited

Report on the Audit of the Standalone Financial Statements

1. We have audited the standalone financial statements of **SMS Bhatgaon Mines Extension Private Limited** which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit or Loss and Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit or loss for the year ended on that date.

Basis for our Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards on Auditing are further described in the Auditor's Responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (India) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI'S Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement

Management's responsibility for the standalone financial statements

2. 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 and presentation 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 Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India. 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.





In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for the Audit of Standalone Financial Statements.

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3Xi) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statement in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a





going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on other legal and regulatory requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section '143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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.





MILIND NAMJOSHI & CO.

Chartered Accountants

7, Gulmohor Apts, Tilak Nagar, NAGPUR
M- 9373103322, 7020004968

- c) The balance sheet and the statement of profit & loss dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules.
- e) On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 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 B.
- g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations.
 - The Company does not have any long term contracts and does not have any derivate contracts for which there were any material foreseeable losses as on balance sheet date.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Milind Namjoshi & Co.**

Chartered Accountants

Firm registration number: NP5111PW

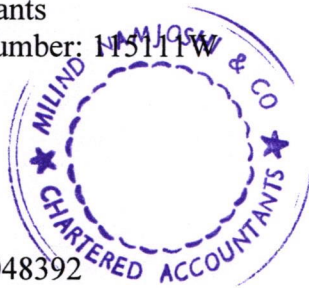
Milind Namjoshi

Proprietor

Membership No.: 048392

Place: Nagpur

Date: 04/09/2019



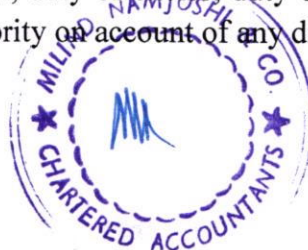


ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph under the heading "Report on other Legal & Regulatory Requirements" of our report of even date to the financial statement of SMS Bhatgoan Mines Extension Private Limited for the year ended 31st March 2019.

On the basis of examination of the books of accounts, checks carried out by us and according to the explanations and representations given to us during the course of our audit, we report that:

- i)
 - a) The company does not have any fixed assets. Therefore this clause is not applicable.
 - b) Not applicable.
 - c) Not applicable;
- ii) The company does not have any inventory. Therefore this clause is not applicable.
- iii)
 - a) The Company has not granted any unsecured loans to companies, firms, Limited Liability Partnerships and other parties covered in the register maintained under section 189 of the Companies Act.
 - b) Not applicable;
 - c) Not applicable;
- iv) No loans, investments, guarantees, and security is provided.
- v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.
- vi) The provisions of Rules made by the Central Government for the maintenance of cost records under sub Section (1) of section 148 of the Act is not applicable to the company.
- vii)
 - a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Value Added Tax, Service Tax, Excise and Customs Duty and other material statutory dues applicable to it and no undisputed amount is outstanding as on 31st March 2019 for a period of more than six months from the date they became payable.
 - b) There are no dues in respect of wealth-tax, duty of excise, duty of custom and cess that have not been deposited with the appropriate authority on account of any dispute.





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- viii) Company neither taken any loans or borrowing from financial institution, neither bank, Government nor issued any debentures.
- ix) No moneys have been raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- x) Neither any fraud by the company nor any fraud on the Company by its officers or employees has been noticed or reported during the year;
- xi) No managerial remuneration has been paid or provided.
- xii) Company is not a nidhi Company.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.

- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



For **Milind Namjoshi & Co.**
Chartered Accountants
Firm Reg No. : 115111W

Milind Namjoshi
Proprietor
Mem. No. : 048392

Place: Nagpur
Date: 04/09/2019



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditors Report on the Internal Financial Controls 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 **SMS Bhatgaon Mines Extention Private Limited** ('the Company') as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

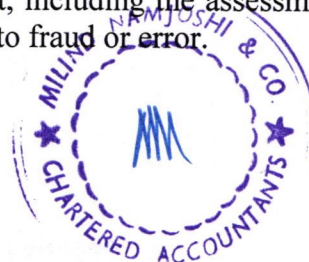
Management's Responsibility for Internal Financial Controls

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 ('ICAI'). 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 the 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.

Auditors' 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') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





MILIND NAMJOSHI & CO.

Chartered Accountants

7, Gulmohor Apts, Tilak Nagar, NAGPUR
M- 9373103322, 7020004968

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.

For **Milind Namjoshi & Co.**

Chartered Accountants

Firm Reg No. : 115111W



Milind Namjoshi

Proprietor

Mem. No. : 048392

Place: Nagpur

Date: 04/09/2019

SMS Bhatgaon Mines Extension Private Limited
Balance Sheet as at 31 March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Current assets			
Financial assets			
Loans	3	-	1,12,37,820.00
Cash and cash equivalent	4	35,077.71	59,077.71
		<u>35,077.71</u>	<u>1,12,96,897.71</u>
Assets classified as held for Sale		-	-
Total current assets		<u>35,077.71</u>	<u>1,12,96,897.71</u>
Total assets		<u>35,077.71</u>	<u>1,12,96,897.71</u>
Equity and liabilities			
Equity			
Equity Share Capital	5	1,00,00,000.00	1,00,00,000.00
Other Equity			
Reserve & surplus	6	(1,04,49,558.38)	(1,23,47,039.82)
Total equity		<u>(4,49,558.38)</u>	<u>(23,47,039.82)</u>
Non-current liabilities			
Financial Liabilities			
Borrowings	7	-	99,26,133.30
		-	<u>99,26,133.30</u>
Current liabilities			
Financial Liabilities			
Borrowings	8	-	35,94,436.03
Other financial liabilities	9	30,000.00	15,000.00
Provisions	10	4,54,636.09	-
Other current liabilities	11	0.00	1,08,368.20
		<u>4,84,636.09</u>	<u>37,17,804.23</u>
Total liabilities		<u>4,84,636.09</u>	<u>1,36,43,937.53</u>
Total equity and liabilities		<u>35,077.71</u>	<u>1,12,96,897.71</u>

Significant Accounting Policies 2 -

The accompanying notes are an integral part of the Standalone financial statement

As per our report of even date

For Milind Namjoshi & Co.

Chartered Accountants

Firm Registration No. :11511118

Milind Namjoshi

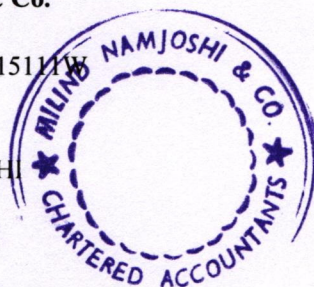
CA. MILIND NAMJOSHI

PROPRIETOR

Membership No. 048392

Place : Nagpur

Date : 04/09/2019



For and on behalf of the Board of Directors

Manish Sinha

MANISH SINHA

Director

DIN : 06928156

S. L. Mundhada

S. L. MUNDHADA

Director

DIN : 07112092

UDIN.- 19048392AAAAA21792.

SMS Bhatgaon Mines Extension Private Limited
Statement of Profit and Loss for the period ended 31 March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
Incomes			
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Finance Cost	12	-	10,83,991.57
Other expenses	13	28,851.80	32,510.00
Total expense		28,851.80	11,16,501.57
Profit/(loss) before exceptional items and tax		(28,851.80)	(11,16,501.57)
Exceptional items		(23,80,969.33)	-
Profit/(loss) before tax		23,52,117.53	(11,16,501.57)
(1) Current tax		4,54,636.09	-
(2) Deferred tax		-	-
Income tax expense		4,54,636.09	-
Profit for the year		18,97,481.44	(11,16,501.57)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax attributable to:		18,97,481.44	(11,16,501.57)

Significant Accounting Policies

2

The accompanying notes are an integral part of the Standalone financial statement

As per our report of even date

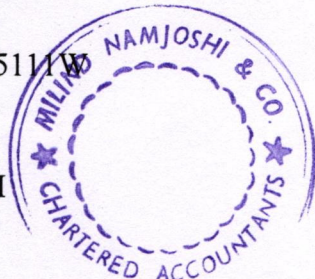
**For and on behalf of the Board of
Directors**

For Milind Namjoshi & Co.

Chartered Accountants

Firm Registration No. :1151111111

Milind Namjoshi



CA. MILIND NAMJOSHI
PROPRIETOR

Membership No. 048392

Place : Nagpur

Date : 04/09/2019

Manish Sinha

MANISH SINHA
Director
DIN : 06928156

S. L. Mundhada

S. L. MUNDHADA
Director
DIN : 07112092

SMS Bhatgaon Mines Extension Private Limited
Cash flow statement for the year ended 31st March, 2019

	31-Mar-19	31-Mar-18
Cash flow from operating activities		
Profit before tax	18,97,481.44	(11,16,501.57)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Operating profit before working capital changes	18,97,481.44	(11,16,501.57)
Movements in working capital :		
Increase/(decrease) in Short-term Borrowings	(35,94,436.03)	(12,000.00)
Increase/(decrease) in other financial Liabilities	15,000.00	(50,000.00)
Increase/(decrease) in other current liabilities	(1,08,368.20)	12,650.00
(Increase)/decrease in Loans and advances	1,12,37,820.00	(89,000.00)
Cash generated from /(used in) operations	94,47,497.21	(12,54,851.57)
Direct taxes paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities (A)	94,47,497.21	(12,54,851.57)
Cash flow from investing activities		
Net cash flow from/(used in) investing activities (B)	-	-
Cash flow from financing activities		
Proceeds from long-term borrowings	(99,26,133.30)	10,76,555.00
Net cash flow from/(used in) in financing activities (C)	(99,26,133.30)	10,76,555.00
Increase/(decrease) in Long-term Borrowings		
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(4,78,636.09)	(1,78,296.57)
Cash and cash equivalents at the beginning of the year	59,077.71	2,37,374.28
Cash and cash equivalents at the end of the year	(4,19,558.38)	59,077.71
Components of cash and cash equivalent		
Cash on hand	370.00	370.00
With banks- on current account	34,707.71	58,707.71
	-	-
Total cash and cash equivalents	35,077.71	59,077.71

Significant Accounting Policies

Refer Note 2

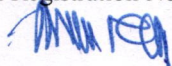
The accompanying notes are an integral part of the Standalone financial statement

As per our report of even date

For Milind Namjoshi & Co.

Chartered Accountants

Firm Registration No. :115111W



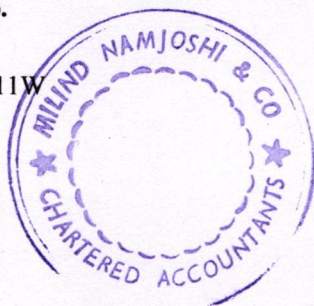
CA. MILIND NAMJOSHI

PROPRIETOR

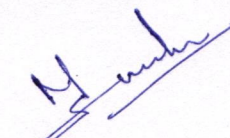
Membership No. 048392

Place : Nagpur

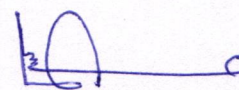
Date : 04/09/2019



For and on behalf of Directors



MANISH SINHA
Director
DIN : 06928156



S. L. MUNDHADA
Director
DIN : 07112092

SMS Bhatgaon Mines Extension Private Limited
Statement of changes in Equity for the year ended 31st March 2019

a EQUITY SHARE CAPITAL

Equity Shares Issued, subscribed and paid

(₹)

Particulars	Number of Shares	Amount
As at 31 March 2017	10,00,000.00	1,00,00,000.00
Changes in equity share capital	-	-
As at 31 March 2018	10,00,000.00	1,00,00,000.00
Changes in equity share capital	-	-
As at 31 March 2019	10,00,000.00	1,00,00,000.00

b OTHER EQUITY

(₹)

Particulars	Reserves and Surplus		Total Equity
	Share premium	Retained earnings	
As at 1 April 2017	-	(1,12,30,538.25)	(1,12,30,538.25)
Loss for the year	-	(11,16,501.57)	(11,16,501.57)
Other comprehensive income	-	-	-
At 31 March 2018	-	(1,23,47,039.82)	(1,23,47,039.82)
As at 1 April 2018	-	(1,23,47,039.82)	(1,23,47,039.82)
Loss for the year	-	18,97,481.44	18,97,481.44
At 31 March 2019	-	(1,04,49,558.38)	(1,04,49,558.38)

Significant Accounting Policies

Refer Note 2

The accompanying notes are an integral part of the Standalone financial statement

As per our report of even date

For and on behalf of Board of directors

For Milind Namjoshi & Co.

Chartered Accountants

Firm Regn No:115111W



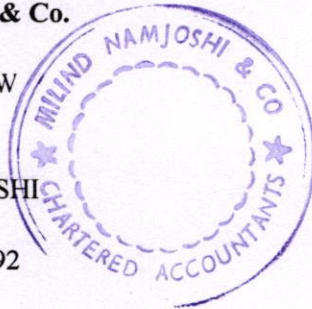
CA. MILIND NAMJOSHI

PROPRIETOR

Membership No. 048392

Place : Nagpur

Date : 04/09/2019




MANISH SINHA

Director

DIN : 06928156



S. L. MUNDHADA

Director

DIN : 07112092

BhatgaonMinesPrivate Limited.

Notes to financial statements for the year ended 31st March, 2019

A. Significant Accounting Policies

1. Corporate information

BhatgaonMinesPrivate limited, is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of Development, Mining and Marketing of coal from Shankarpur (Bhatgaon) Coal block in Sarguja district in joint venture with Chhattisgarh Mineral Development Corporation.

2. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of significant accounting policies

a. Use of Estimates:

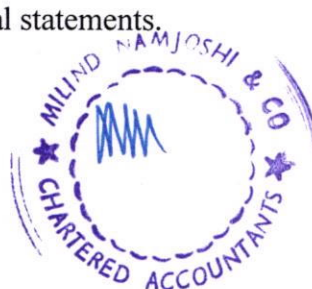
The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring the material adjustment to the carrying amounts of assets and liabilities in future periods.

b. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the company has the present obligation as a result of past event, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimation of the obligation. When a company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

A disclosure of contingent liabilities is made where there is possible obligation or present obligation that may probably not require an outflow of resources. When there is possible or a present obligation or where there is likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements.



c. Preliminary Expenditure & Pre-operative Cost

As per Accounting Standard 26, when expenditure is incurred to provide future economic benefits to an enterprise, but not intangible or other asset is acquired or created that can be recognized, then expenditure incurred is to be recognized as an expense. Accordingly the Company has changed its policy from recognizing preliminary and pre-operative expenditure as an asset and amortizing them over a specified period of time, to recognizing the same as an expense as and when they are incurred.



SMS Bhatgaon Mines Extension Private Limited
Notes to financial statements for the year ended 31st March, 2019

	31-Mar-19	31-Mar-18
3 Current loans & advances		
a Loans to related parties		
i Bhatgaon Extension Mines (P) Ltd.	-	1,03,85,320.00
ii Solar Bhatgaon Extension Mines Pvt. Ltd.	-	8,52,500.00
	-	<u>1,12,37,820.00</u>
4 Cash and cash equivalents		
a Balances with banks		
i ICICI Bank	24,810.28	48,810.28
ii I.O.B.	9,897.43	9,897.43
b Cash in hand		
i Cash	370.00	370.00
	<u>35,077.71</u>	<u>59,077.71</u>



SMS Bhatgaon Mines Extension Private Limited
Notes to financial statements for the year ended 31st March, 2019

5 Share capital

a. Authorized shares

10,00,000 (31st March, 2019: 10,00,000) equity shares of `10/- each

b. Issued, subscribed and fully paid-up shares (No. millions)

10,00,000 (31st March, 2019: 10,00,000) equity shares of `10/- each

Total Issued, subscribed and fully paid-up share capital

	31-Mar-19	31-Mar-18
	(₹)	(₹)
	1,00,00,000.00	1,00,00,000.00
	1,00,00,000.00	1,00,00,000.00
	1,00,00,000.00	1,00,00,000.00

c. Reconciliation of the shares outstanding at the beginning and at the Equity shares

At the beginning of the period

Issued during the period – Bonus issue

Issued during the period – ESOP

Outstanding at the end of the period

	31-Mar-19		31-Mar-18	
	No.	(₹)	No.	(₹)
	1000000	1,00,00,000.00	1000000	1,00,00,000.00
	1000000	1,00,00,000.00	1000000	1,00,00,000.00

**d. Details of shareholders holding more than 5% shares in the company
Equity shares of `10/- each fully paid**

SMS Infrastructure Limited

Solar Industries India Limited

	31-Mar-19		31-Mar-18	
	No.	% holding in the class	No.	% holding in the class
	510000	51.00%	510000	51.00%
	490000	49.00%	490000	49.00%
	1000000	100.00%	1000000	100.00%



SMS Bhatgaon Mines Extension Private Limited
Notes to financial statements for the year ended 31st March, 2019

	31-Mar-19	31-Mar-18
6 Other equity		
Reserve & surplus		
Balance as per last financial statement	(1,23,47,039.82)	(1,12,30,538.25)
Profit/(Loss) for the year	18,97,481.44	(11,16,501.57)
Closing balance	<u>(1,04,49,558.38)</u>	<u>(1,23,47,039.82)</u>
7 Non-Current borrowings		
Loans from related parties		
i Solar Industries India Ltd.	-	99,26,133.30
	<u>-</u>	<u>99,26,133.30</u>
8 Current borrowings		
a Term loans		
From Related parties		
i Ajay Sancheti	-	4,00,000.00
b Loans from related parties		
ii SMS Infrastructure Ltd.	-	2,01,422.03
iii Bhatgaon Mines (P) Ltd.	-	29,93,014.00
Net amount	<u>-</u>	<u>35,94,436.03</u>
9 Other financial liabilities		
a Other payables		
ii Audit fees payable	30,000.00	15,000.00
	<u>30,000.00</u>	<u>15,000.00</u>
10 Provisions		
i Income Tax	4,54,636.09	-
	<u>4,54,636.09</u>	<u>-</u>
11 Other current liabilities		
a Other payables		
i TDS Payable	0.00	1,08,368.20
	<u>0.00</u>	<u>1,08,368.20</u>
12 Finance Cost		
Bank Charges	-	296.57
Interest	-	10,83,695.00
	<u>-</u>	<u>10,83,991.57</u>
13 Other Expenses		
Profession & Consultancy Charges	12,000.00	12,000.00
Payment to Auditor	15,000.00	15,000.00
ROC Charges	1,800.00	1,200.00
Miscellaneous Expenses	51.80	4,310.00
	<u>28,851.80</u>	<u>32,510.00</u>



14 Contingent Liabilities and commitments

Contingent Liabilities as per the information given by management is NIL

15 Dues to Micro & Small Scale Enterprise

There are no Micro & Small Scale Enterprises, as defined in Micro, Small & Medium Enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

16 Payment to Auditor As Auditor:	(₹)	
	31-Mar-19	31-Mar-18
Audit Fees	15,000.00	15,000.00
	<u>15,000.00</u>	<u>15,000.00</u>

17 Related Party Disclosures as required in terms of "Indian Accounting Standard [IND AS] 24 are given below:

i. Relationships (Related Party relationships are as identified by the Company and relied upon by the auditors)

a. Holding Company:

1. SMS Infrastructure Limited

b. Associate Company:

1. Solar Industries India Limited

c. Key Management Personnel

1. S N Nuwal - Director
2. Ajay Sancheti - Director

ii. Transaction carried out with related parties referred to above:

Nature of Transaction	Related Parties					
	Holding Company		Associate Company		Key Management Personnel	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Interest Paid		-	-	9,75,325.00	-	-
Expenses Incurred	-	-	-	1,01,230.00	-	-
Outstanding Balance	-	-	-	99,26,133.30	-	-



SMS Bhatgaon Mines Extension Private Limited
Notes to financial statements for the year ended 31st March, 2019

18 Financial instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale

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

- (a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
 b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A Financial instruments by category

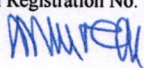
The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value	Financial assets/ liabilities at fair value	Total carrying value	Total fair value
Assets:						
Loans		-	-	-	-	-
Cash and cash equivalents		35,077.71	-	-	35,077.71	35,077.71
Liabilities:						
Borrowings		-	-	-	-	-
Other financial liabilities		30,000.00	-	-	30,000.00	30,000.00

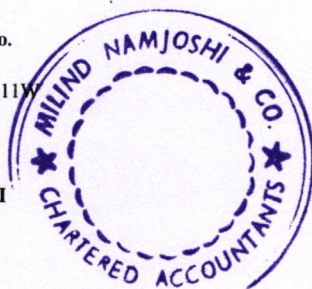
The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:						
Loans		1,12,37,820.00	-	-	1,12,37,820.00	1,12,37,820.00
Cash and cash equivalents		59,077.71	-	-	59,077.71	59,077.71
Liabilities:						
Borrowings		1,35,20,569.33	-	-	1,35,20,569.33	1,35,20,569.33
Other financial liabilities		15,000.00	-	-	15,000.00	15,000.00

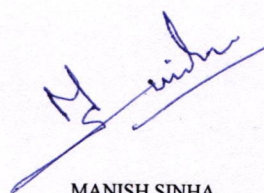
As per our report attached.
 For Milind Namjoshi & Co.
 Chartered Accountants
 Firm Registration No. 115111W



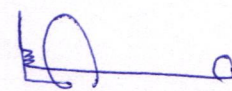
CA. MILIND NAMJOSHI
 PROPRIETOR
 Membership No. 048392
 Place Nagpur
 Date 04/09/2019



For and on behalf of the Board of Directors



MANISH SINHA
 Director
 DIN: 00713547



S. L. MUNDHADA
 Director
 DIN: 00953304