

INDEPENDENT AUDITOR'S REPORT

To the Members of SMS Mine Developers Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SMS Mine Developers Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of Profit and Loss (including Other Comprehensive Income) and Cash Flow Statement and the Statement of Changes in Equity, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements")

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the accounting Standards specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2019, and its loss, for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards on Auditing are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statement.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Directors / Board's Report / Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibilities 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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, based on our audit 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 and the Statement of Profit and Loss 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 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 Auditor's 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Based on our examination of Books of accounts and other relevant records, the company has not paid / provided any remuneration to its directors during the current year. Accordingly, the provisions of section 197(16) of the Act is not applicable during the current year.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For R.S. Bhattad & Associates

Firm Reg No: 135948W

Chartered Accountants



Mayur Parkhani

Mayur Parkhani

Partner

M. No.: 101632

UDIN - 19101632AAAACU7461

Place: Nagpur

Date: 9/9/2019

Annexure-A referred to in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2019, we report that:

- (i) The Company does not own any Fixed assets. Thus Para 3 (i) (a),(b) and (c) is not applicable.
- (ii) The Company does not hold any physical inventories. Thus, paragraph 3 (ii) of the order is not applicable to the company.
- (iii) The company has not granted any loans to the parties covered in the register maintained u/s 189 of the Act. Thus, para 3 (iii) of the order is not applicable to the company.
- (iv) In our opinion and according to information and explanations given to us, the company has not made any loan, investment, guarantee and security under section 185 and section 186 of the act.
- (v) The company has not accepted any deposits from the public.
- (vi) The company does not come under the criteria of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2019 for a period of more than six months from the date of becoming payable.

(b) As informed to us there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- (viii) The Company has not taken any loan from financial institutions and banks/debentures. Thus para 3 (viii) of default in repayment of dues is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (Including debt instruments) and term Loans during the year. Accordingly para 3 (ix) of the Order is not applicable.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and as per the information and explanations given by the

management, we report that no fraud on or by the Company have been noticed or reported during the year.

- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid / provided for any managerial remuneration during the year. Thus para 3 (xi) is not applicable.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a nidhi company. Accordingly Para 3 (xii) of the order is not applicable.
- (xiii) According to the information and explanation given to us and based on the examination of records of the company, Section 177 of the Companies Act, 2013 "(Act)" was not applicable to the Company and no transaction was entered under Section 188 of the Act.
- (xiv) According to information and explanations given to us and based on examination of records of company the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to information and explanations given to us and based on examination of records of company, the company has not entered into non cash transactions with the directors or persons connected with him. Accordingly paragraph 3 (xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **R.S. Bhattad & Associates**
Firm Reg No: 135948W
Chartered Accountants



Parkhani

Mayur Parkhani
Partner

M. No.: 101632

UDIN - 19101632 AAAA CU 7461

Place: Nagpur

Date: 9/9/2019

Annexure B to the Auditors' Report

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 Mine Developers Pvt Ltd ('the Company') as of 31 March 2019 in conjunction with our audit of the 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 Ind AS 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 over financial reporting included those policies and procedures that (1) pertain to the maintenance of record 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS 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 of 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, 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 31st March 2019, 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 **R.S. Bhattad & Associates**
Firm Reg No: 135948W
Chartered Accountants



Parkhani

Mayur Parkhani
Partner

M. No.: 101632

UDIN - 19101632AAAACU7461

Place: Nagpur

Date: 9/9/2019

SMS MINE DEVELOPERS PRIVATE LIMITED

Balance Sheet as at 31 March 2019

(Figure in ₹)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Current assets			
a) Financial assets			
1) Cash and cash equivalent	3	1,50,325.33	1,49,713.64
2) Loans	4	35,79,410.00	-
Total current assets		37,29,735.33	1,49,713.64
Total assets		37,29,735.33	1,49,713.64
Equity and liabilities			
Equity			
a) Equity Share Capital	5	1,00,000.00	1,00,000.00
b) Other Equity	6	(72,264.67)	(51,286.36)
Total equity		27,735.33	48,713.64
Current liabilities			
a) Financial liability			
1) Borrowings	7	37,00,000.00	1,00,000.00
b) Other current liability	8	2,000.00	1,000.00
Total liabilities		37,02,000.00	1,01,000.00
Total equity and liabilities		37,29,735.33	1,49,713.64

Significant Accounting Policies 2

Notes 3 to 14 form an integral part of the standalone financial statement.

As per our audit report of even date.

For R.S Bhattad Associates

Firm Regn No. 135948W

Chartered Accountants

Parkhani



Mayur Parkhani
Partner

M.No. 101632

UDIN - 19101632 AAAACU7461

Place: Nagpur

Date: **09 SEP 2019**

For and on behalf of the Board

Anand S. Sancheti

Anand S. Sancheti
Director
DIN: 00953362

Sushant Mukherjee

Sushant Mukherjee
Director
DIN :06791508

SMS MINE DEVELOPERS PRIVATE LIMITED

Statement of Profit & Loss for the year ended 31 March 2019

(Figure in ₹)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Revenue from operations		-	-
Total income		-	-
Expenses			
Other expenses	9	20,978.31	1,985.70
Total expense		20,978.31	1,985.70
Profit/(loss) before tax		(20,978.31)	(1,985.70)
(1) Current tax		-	-
(3) Deferred tax		-	-
Income tax expense		-	-
Profit/(loss) for the year		(20,978.31)	(1,985.70)
Other comprehensive income		-	-
Total Comprehensive income and other Comprehensive income for the year, net of tax		(20,978.31)	(1,985.70)
Basic and Diluted Earning per share	10		
a) Basic		(2.10)	(0.20)
b) Diluted		(2.10)	(0.20)
Significant Accounting Policies	2		

Notes 3 to 14 form an integral part of the standalone financial statement.

As per our audit report of even date.

For R.S Bhattad Associates

Firm Regn No. 135948W

Chartered Accountants

Parkhani



Mayur Parkhani

Partner

M.No. 101632

UDIN - 19101632 AAAACU7461

Place: Nagpur

Date: 09 SEP 2019

For and on behalf of the Board

Anand S. Sancheti

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Director

DIN: 00953362

Sushant Mukherjee

Sushant Mukherjee

Director

DIN :06791508

SMS MINE DEVELOPERS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March 2019

(Figure in ₹)

Particulars	Notes	31st March, 2019	31st March, 2018
Cash flow from operating activities			
Profit before tax		(20,978.31)	(1,985.70)
Operating profit before working capital changes		(20,978.31)	(1,985.70)
Movements in working capital :			
Increase/(decrease) in other current liabilities	8	1,000.00	(9,000.00)
Increase/(decrease) in loans	4	(35,79,410.00)	-
Decrease / (increase) in borrowing	7	36,00,000.00	(2,000.00)
Cash generated from /(used in) operations		611.69	(12,985.70)
Net cash flow from/ (used in) operating activities (A)		611.69	(12,985.70)
Cash flow from investing activities			
Net cash flow from/(used in) investing activities (B)		-	-
Cash flow from financing activities			
Net cash flow from/(used in) in financing activities (C)		-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)			
		611.69	(12,985.70)
Cash and cash equivalents at the beginning of the year	3	1,49,713.64	1,62,699.34
Cash and cash equivalents at the end of the year		1,50,325.33	1,49,713.64
Components of cash and cash equivalent			
Cash on hand	3	77,100.00	72,613.64
With banks- on current account	3	73,225.33	77,100.00
Total cash and cash equivalents		1,50,325.33	1,49,713.64

Significant Accounting Policies 2

Notes 3 to 14 form an integral part of the standalone financial statement.

As per our audit report of even date.

For R.S Bhattad Associates

Firm Regn No. 135948W

Chartered Accountants

Parkhani



Mayur Parkhani

Partner

M.No. 101632

UDIN - 19101632AAAA CU7461

Place: Nagpur

Date:

09 SEP 2019

For and on behalf of the Board

Anand S. Sancheti

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Director

DIN: 00953362

Sushant Mukherjee

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Director

DIN :06791508

SMS MINE DEVELOPERS PRIVATE LIMITED

Statement of Changes in Equity for the year ended 31 March 2019

(Figure in ₹)

A. EQUITY SHARE CAPITAL	Note No.	Number of Shares	Amount
As at 31 March 2017		10,000.00	1,00,000.00
Changes in equity share capital		-	-
As at 31 March 2018	5	10,000.00	1,00,000.00
Changes in equity share capital		-	-
As at 31 March 2019		10,000.00	1,00,000.00

B. OTHER EQUITY

Refer Note No.

6

Attributable to the equity holders

Particulars	Reserves and Surplus	Total equity attributable to equity holders
	Retained earnings	
As at 1st April 2017	(49,300.66)	(49,300.66)
Profit for the period	(1,985.70)	(1,985.70)
Other comprehensive income	-	-
At 31 March 2018	(51,286.36)	(51,286.36)
Profit for the period	(20,978.31)	(20,978.31)
Other comprehensive income	-	-
At 31 March 2019	(72,264.67)	(72,264.67)

Significant Accounting Policies

2

Notes 3 to 14 form an integral part of the standalone financial statement.

As per our audit report of even date.

For R.S Bhattad Associates

Firm Regn No. 135948W

Chartered Accountants

Parkhani



Mayur Parkhani

Partner

M.No. 101632

UDIN - 19101632AAAAC07461

Place: Nagpur

Date: **09 SEP 2019**

For and on behalf of the Board

Anand S. Sancheti

Anand S. Sancheti

Director

DIN: 00953362

Sushant Mukherje

Sushant Mukherje

Director

DIN :06791508

1. COMPANY BACKGROUND

The Company is incorporated under the Companies Act, 1956 with the main object to carry out Mining activity. The company has not started commercial activities as yet.

2 Significant Accounting Policies and Key Accounting Estimates and Judgments

2.1 Basis of preparation of Financial Statements

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2019 are prepared in accordance with Ind AS. The accounting policies are applied consistently to all the periods presented in the financial statements.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

II. Current / Non Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- I. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- II. the asset is intended for sale or consumption;
- III. the asset/liability is held primarily for the purpose of trading
- IV. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- V. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- VI. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.2 Summary of Significant accounting policies

a) Revenue

Interest on loans given is charged on accrual basis at mutually agreed terms and conditions. Dividend Income is recognized when the right to received dividend is established.

b) Taxes on Income

Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

c) Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances.

d) Financial instruments

Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in case of financial assets not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets, which are not at fair value through profit and loss are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit and loss are expensed in statement of profit and loss.

Subsequent measurement

Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

Financial Liabilities

Initial recognition and subsequent measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously

e) Earnings per share:

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

Key accounting estimates and judgments

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods Critical accounting estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

SMS MINE DEVELOPERS PRIVATE LIMITED

Notes to account forming part of Financial Statements as at 31st March 2019

(Figure in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
NOTE '3'		
CASH AND BANK BALANCES		
Punjab National Bank	16,244.28	72,613.64
Axis Bank	56,981.05	-
Cash on Hand	77,100.00	77,100.00
TOTAL	1,50,325.33	1,49,713.64

NOTE '4'

Loans

Shakeel Ahmed Aqueel Hussain

35,79,410.00

-

TOTAL 35,79,410.00

NOTE '5'

Share Capital

a) Authorized Capital :

10,000 (31.03.2019 :10000) Equity Shares of ₹10 each

1,00,000.00

1,00,000.00

b) Issued, subscribed and fully paid-up shares:

10,000 (31.03.2019 :10000) Equity Shares of ₹10 each

1,00,000.00

1,00,000.00

c) Reconciliation of Equity share outstanding at the beginning and the end of the reporting period.

Equity shares	31st March 2019		31st March 2018	
	No.		No.	
At the beginning of the period	10,000	1,00,000.00	10,000	1,00,000.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	1,00,000.00	10,000	1,00,000.00

d). Terms , Rights , Preferences and Restrictions to the Equity Shares

The Company has issued only one class of equity share having a par value of ₹10/- per share. The company declare and pay dividend in Indian rupees .Each shareholder is entitled to one vote per share. The dividend announced by the Board of Directors if any is subject to approval of the shareholders in Annual General Meeting except interim dividend if any. In the event of liquidation of the company, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available after making preferential payments.

e) -List of Share holders having 5% or more Shares (In Nos)

Name Of Shareholders	As At 31st March 2019		As At 31st March 2018	
	In Nos	In %	In Nos	In %
Ajay Shaktikumar Sancheti	1900	19.00%	1900	19.00%
Anand Shaktikumar Sancheti	3000	30.00%	3000	30.00%
SMS Limited (formerly SMS Infrastructure Ltd.)	5100	51.00%	5100	51.00%

NOTE '6'

OTHER EQUITY

Retain Earning

Opening Balance

(51,286.36) (49,300.66)

Add: Profit/(loss) During The Year

(20,978.31) (1,985.70)

Closing Balance

(72,264.67) (51,286.36)

TOTAL (72,264.67) (51,286.36)

NOTE '7'

BORROWING (CURRENT)

Loans from related parties

SMS LTD

37,00,000.00 1,00,000.00

37,00,000.00 1,00,000.00

SMS MINE DEVELOPERS PRIVATE LIMITED

Notes to account forming part of Financial Statements as at 31st March 2019

(Figure in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
NOTE '8'		
Other current liability		
Audit fees payable	2,000.00	1,000.00
TOTAL	2,000.00	1,000.00
NOTE '9'		
OTHER EXPENSES		
Statutory Audit Fees	1,000.00	1,000.00
Bank Charges	430.31	76.70
Roc Fees	8,680.00	909.00
Consultancy Charges	10,868.00	-
TOTAL	20,978.31	1,985.70
NOTE '10'		
Earnings Per Share		
Profit/(loss) after tax	(20,978.31)	(1,985.70)
Effect of dilution	-	-
Net profit for calculation of basic EPS	(20,978.31)	(1,985.70)
Weighted average number of equity shares in calculating basic EPS	10,000.00	10,000.00
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	10,000.00	10,000.00
10,000 equity shares of ₹10/- each		
Earnings per equity share:		
Basic	(2.10)	(0.20)
Diluted	(2.10)	(0.20)

Note 11**Fair value measurement**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or

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

- 1) Fair value of current assets which includes loans given, cash and cash equivalents, other bank balances and other financial assets approximate their carrying amounts largely due to short
- 2) 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 expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from

The Company uses the following hierarchy for determining and disclosing the fair value of financial

Level 1:

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2:

Other techniques for which major inputs which have a significant effect on the recorded fair value are observable, either directly or

Level 3:

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Financial Assets & Liabilities as at 31st March, 2019	Fair Value through Profit & Loss	Fair Value through OCI	Carried at amortised Cost	Total Carried Value	Total Fair Value
Financial Assests					
Loans	-	-	35,79,410.00	35,79,410.00	35,79,410.00
Cash & cash Equivalents	-	-	1,50,325.33	1,50,325.33	1,50,325.33
Total	-	-	37,29,735.33	37,29,735.33	37,29,735.33
Financial Liabilities					
Borrowings	-	-	37,00,000.00	37,00,000.00	37,00,000.00
Other Current Liabilities	-	-	2,000.00	2,000.00	2,000.00
Total	-	-	37,02,000.00	37,02,000.00	37,02,000.00

Financial Assets & Liabilities as at 31st March, 2018	Fair Value through Profit & Loss	Fair Value through OCI	Carried at amortised Cost	Total Carried Value	Total Fair Value
Financial Assests					
Loans	-	-	-	-	-
Cash & cash Equivalents	-	-	1,49,713.64	1,49,713.64	1,49,713.64
Total	-	-	1,49,713.64	1,49,713.64	1,49,713.64
Financial Liabilities					
Borrowings	-	-	1,00,000.00	1,00,000.00	1,00,000.00
Other Current Liabilities	-	-	1,000.00	1,000.00	1,000.00
Trade payables	-	-	-	-	-
Total	-	-	1,01,000.00	1,01,000.00	1,01,000.00

Note 12 :

a) Financial Risk Management:

The Company Activities expose it to the following Risk:

Market risk,

Credit risk and

Liquidity risk

Credit Risk:

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Trade Receivables:

credit risk managed by company's established policy, procedures and control relating to customers credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for client. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company does not hold collateral as security.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in interest relates primarily to the company's debt obligations with floating interest rates.

Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company's principle sources of liquidity are cash and cash equivalents. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. Accordingly, no liquidity risk is perceived.

The management acknowledge that, the company has no risk in respect to interest, credit as well liquidity risk.

Note 13 :

INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY Ind AS-24- 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2019.

a. Holding Company:

Name of the Company	Country of Incorporation	% of Holding as at 31.03.2019	% of Holding as at 31.03.2018
SMS Limited	India	51.00%	51.00%

b. Key Managerial Personnel:

Name of the Director	Designation
Paramveer Abhay Sancheti	Director
Anand Shaktikumar Sancheti	Director
Akshay Sancheti	Director
Sushant Mukherjee	Director

List of all Subsidiaries, Associates, Joint Venture of Holding Company are as follows:

Subsidiary Companies

1. SMS Bhatgaon Mines Extension Pvt. Ltd.	10. PT. SMS Mines Indonesia
2. SMS Envoclean Pvt. Ltd.	11. SMS-AABS India Tollways Private Limited
3. SMS Infolink Pvt. Ltd.	12. SMS Waste Management Pvt. Ltd.
4. SMS Mine Developers Pvt. Ltd.	13. PT. SMS Minerals International
5. SMS Parking Solutions Pvt. Ltd.	14. Solar Bhatgaon Extension Mines Pvt. Ltd.
6. SMS Taxi Cabs Pvt. Ltd.	15. Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.
7. SMS Vidyut Pvt. Ltd.	16. Patwardhan Infrastructure Pvt. Ltd.
8. SMS Water Grace BMW Pvt. Ltd.	17. Maharashtra Enviro Power Ltd.
9. SMS Tolls And Developers Ltd.	

Associates

1. RCCL Infrastructure Ltd.	2. SMS AAMW Tollways Pvt. Ltd.
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Joint Venture

1. SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. JV	7. SMS Infrastructure Ltd. Shreenath Enterprises J.V.
2. GDCL & SMS Ltd. JV	8. Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd. JV
3. SMS Infrastructure Ltd. & Brahamaputra Infrastructure Ltd (JV)	9. GSJ Envo Ltd. In consortium with SMS Infrastructure Ltd.
4. SMS Infrastructure Ltd. & Brahamaputra Consortium Ltd (JV)	10. SMSIL KTCO (JV)
5. SRRCIPL-SMSL-BEKEM JV	11. Bhartia SMSIL (JV)
6. SMS Infrastructure Ltd - Aarti Infra-Projects Pvt. Ltd. J.V.	12. SMSIL-MBPL-BRAPL (JV)
	13. SRRCIPL-SMSL (JV)

c Details of related party transactions during the year ended 31st March, 2019

Name of Related Party	Opening Balance 01/04/2018	Loan / Advance Taken	Loan / Advance Returned	Closing Balance 31/3/2019
Referred in (b)	1,00,000	36,00,000	-	37,00,000

Note 14 : Payment To Auditors

Audit Fees	2018-2019(Rs)	2017-2018 (Rs)
	1,000.00	1,000.00

For SMS Mine Developers Private Limited.

For R.S. Bhattad & Associates
Chartered Accountants
Firm Reg No. 135948W



Anand S. Sancheti
Director
(00953362)
Place: Nagpur
Date:

09 SEP 2019



Sushant Mukherjee
Director
(06791508)



Mayur Parkhani
Partner
M.R No.101632
UDIN - 19101632AAAAU7461

