

Independent Auditor's Report to the members of SMS Mine Developers Private Limited

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of SMS MINE DEVELOPERS PRIVATE LIMITED, ("the Company") which comprise the Balance Sheet as at 31st March 2018, 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 a summary of 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 Ind AS financial statements, that give a true and fair view of the financial position, financial performance and cash flow, other comprehensive income and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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 Ind AS 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 Ind AS 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.

We conducted our audit of Ind AS Statement 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- (b) In case of Statement of Profit and Loss, (including other Comprehensive Income) of the loss for the year ended on that date.
- (c) In case of Cash Flow Statement, of the Cash Flow for the year ended on that date.
- (d) The changes in equity for the year ended on that date.

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 purpose 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 account (including other Comprehensive Income and the Cash Flow Statement and statement of changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended).
 - e) On the basis of the written representations received from the Directors as on 31st March 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2018 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", and
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has no pending litigations which have any impact on its financial position.
- (ii) The Company did not have any long term contracts including derivative contract for which there were any material foreseeable losses ; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



Mayur Parkhani

Place: Nagpur
Date: 06th July, 2018

Mayur Parkhani
Partner
M. No.: 101632

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 2018, 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, 2018 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



Mayur Parkhani

Mayur Parkhani
Partner
M. No.: 101632

Place: Nagpur
Date: 06th July, 2018

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 2018 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 2018, 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



A handwritten signature in black ink that reads "Parkhani".

Mayur Parkhani
Partner
M. No.: 101632

Place: Nagpur
Date: 06th July, 2018

SMS MINE DEVELOPERS PRIVATE LIMITED
Balance Sheet as at 31 March 2018

| Particulars | Notes | As at 31 March 2018 | As at 31 March 2017 |
|--|-------|---------------------|---------------------|
| | | (in ₹) | (in ₹) |
| Assets | | | |
| Non-current assets | | | |
| a) Property, plant and equipment | | - | - |
| b) Investment property | | - | - |
| c) Other Intangible assets | | - | - |
| d) Intangible assets under development | | - | - |
| e) Financial assets | | - | - |
| 1) Investments | | - | - |
| 2) Loans | | - | - |
| f) Deferred tax assets (net) | | - | - |
| Total Non-current assets | | - | - |
| Current assets | | | |
| a) Financial assets | | - | - |
| 1) Investments | | - | - |
| 2) Trade receivables | | - | - |
| 3) Cash and cash equivalent | 3 | 1,49,713.64 | 1,62,699.34 |
| 4) Loans | | - | - |
| b) Other Current Asset | | - | - |
| Assets classified as held for Sale | | - | - |
| Total current assets | | 1,49,713.64 | 1,62,699.34 |
| Total assets | | 1,49,713.64 | 1,62,699.34 |
| Equity and liabilities | | | |
| Equity | | | |
| a) Equity Share Capital | 4 | 1,00,000.00 | 1,00,000.00 |
| b) Other Equity | 5 | (51,286.36) | (49,300.66) |
| Total equity | | 48,713.64 | 50,699.34 |
| Non-current liabilities | | | |
| a) Financial Liabilities | | - | - |
| 1) Borrowings | | - | - |
| 2) Other financial liabilities | | - | - |
| b) Provisions | | - | - |
| c) Deferred tax liabilities (net) | | - | - |
| Current liabilities | | | |
| a) Financial Liabilities | | - | - |
| 1) Borrowings | 6 | 1,00,000.00 | 1,02,000.00 |
| 2) Trade payables | 7 | 1,000.00 | 10,000.00 |
| 3) Other Financial liabilities | | - | - |
| b) Other Current Liability | | - | - |
| | | 1,01,000.00 | 1,12,000.00 |
| Total liabilities | | 1,01,000.00 | 1,12,000.00 |
| Total equity and liabilities | | 1,49,713.64 | 1,62,699.34 |

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Significant Accounting Policies

Notes 3 to 10 form an integral part of the standalone financial statement.

This is the Balance Sheet referred to in our audit report of even date.

For R.S Bhattad Associates

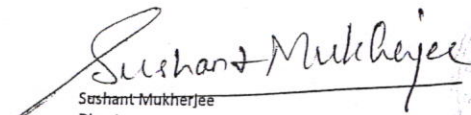
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Chartered Accountants

For and on behalf of the Board



Anand S. Sancheti
Director
DIN: 00953362



Sushant Mukherjee
Director
DIN :06791508





Mayur Parkhani
Partner
M.No. 101632

Place: Nagpur
Date: 06th July 2018

SMS MINE DEVELOPERS PRIVATE LIMITED
Statement of Profit & Loss for the year ended 31 March 2018

| Particulars | Notes | As at 31 March 2018 | As at 31 March 2017 |
|--|-------|---------------------|---------------------|
| | | (in ₹) | (in ₹) |
| Continuing operations | | | |
| Revenue from operations | | - | - |
| Other income | | - | - |
| Total Income | | - | - |
| Expenses | | | |
| Employee benefits expense | | - | - |
| Depreciation and amortization expense | | - | - |
| Finance costs | | - | - |
| Other expenses | 8 | 1,985.70 | 5,931.93 |
| Total expense | | 1,985.70 | 5,931.93 |
| | | (1,985.70) | (5,931.93) |
| Profit/(loss) before exceptional items and tax from continuing operations | | (1,985.70) | (5,931.93) |
| Exceptional items | | - | - |
| Profit/(loss) before tax from continuing operations | | (1,985.70) | (5,931.93) |
| (1) Current tax | | - | - |
| (3) Deferred tax | | - | - |
| Income tax expense | | - | - |
| Profit for the year from continuing operations | | (1,985.70) | (5,931.93) |
| Profit/(loss) for the year | | (1,985.70) | (5,931.93) |
| Other comprehensive income | | - | - |
| Net other comprehensive income not to be reclassified to profit or loss in subsequent periods | | - | - |
| Total Comprehensive income for the year, net of tax | | (1,985.70) | (5,931.93) |
| Basic and Diluted Earning per share(₹) | 9 | - | - |
| a) Basic (in ₹) | | (0.20) | (0.59) |
| b) Diluted (in ₹) | | | |

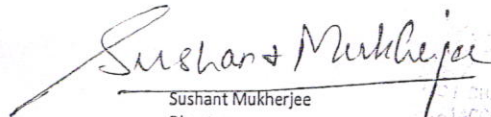
For and on behalf of the Board



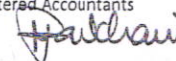
Anand S. Sancheti
Director
DIN: 00953362
Place: Nagpur
Date: 06th July 2018

This is the Balance Sheet referred to in our audit report of even date.

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



Sushant Mukherjee
Director
DIN :06791508



Mayur Parkhani
Partner
M.No. 101632



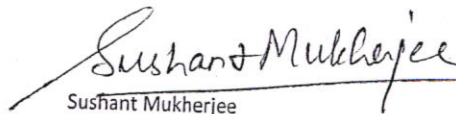
SMS MINE DEVELOPERS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March 2018

| Particulars | Notes | 31st March, 2018 ₹ | 31st March, 2017 ₹ |
|--|-------|-----------------------|-----------------------|
| Cash flow from operating activities | | | |
| Profit before tax from continuing operations | | (1,985.70) | (5,931.93) |
| Profit before tax | | (1,985.70) | (5,931.93) |
| Interest expense | | - | - |
| Interest income | | - | - |
| Operating profit before working capital changes | | (1,985.70) | (5,931.93) |
| Movements in working capital : | | | |
| Increase/(decrease) in trade payables | 7 | (9,000.00) | 1,000.00 |
| Increase/(decrease) in other current liabilities | 7 | - | - |
| Decrease / (increase) in long-term loans and advances | | (2,000.00) | - |
| Decrease / (increase) in short-term loans and advances | | - | - |
| Decrease / (increase) in other non-current assets | 6 | - | 1,00,000.00 |
| Cash generated from / (used in) operations | | (12,985.70) | 95,068.07 |
| Direct taxes paid | | - | - |
| IT Refund Received | | - | - |
| Net cash flow from/ (used in) operating activities (A) | | (12,985.70) | 95,068.07 |
| Cash flow from investing activities | | | |
| Purchase of Non-current investments | | - | - |
| Proceeds of non-current investments | | - | - |
| Interest received | | - | - |
| Dividends received | | - | - |
| Net cash flow from/ (used in) investing activities (B) | | - | - |
| Cash flow from financing activities | | | |
| Proceeds from issuance of share capital | | - | - |
| Interest paid | | - | - |
| Dividends paid on equity shares | | - | - |
| Net cash flow from/ (used in) in financing activities (C) | | - | - |
| Net increase/ (decrease) in cash and cash equivalents (A + B + C) | | (12,985.70) | 95,068.07 |
| Effect of exchange differences on cash & cash equivalents held in foreign currency | | - | - |
| Cash and cash equivalents at the beginning of the year | 3 | 1,62,699.34 | 67,631.27 |
| Cash and cash equivalents at the end of the year | | 1,49,713.64 | 1,62,699.34 |
| Components of cash and cash equivalent | | | |
| Cash on hand | 3 | 72,613.64 | 85,599.34 |
| Cheques/ drafts on hand | | | |
| With banks- on current account | 3 | 77,100.00 | 77,100.00 |
| Total cash and cash equivalents | | 1,49,713.64 | 1,62,699.34 |

For and on behalf of the Board



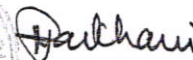
Anand S. Sancheti
Director
DIN: 00953362
Place: Nagpur
Date: 06th July 2018



Sushant Mukherjee
Director
DIN: 06791508



As per my Report of even date attached
For R.S Bhattad Associates
Firm Regn No. 135948W
Chartered Accountants



Mayur Parkhani
Partner
M. No. 101632

SMS MINE DEVELOPERS PRIVATE LIMITED

Statement of Changes in Equity for the year ended 31 March 2018

| A. EQUITY SHARE CAPITAL | | | | | |
|------------------------------------|----------------------|--------------------|----------------|--------------------------------------|--------------------|
| As at 31 March 2017 | 1,00,000.00 | | | | |
| Changes in equity share capital | - | | | | |
| As at 31 March 2018 | 1,00,000.00 | | | | |
| B. OTHER EQUITY | | | | | |
| Attributable to the equity holders | | | | | |
| | Reserves and Surplus | | Items of OCI | | Total Equity |
| | Share premium | Retained earnings | FVTOCI reserve | Foreign currency translation reserve | |
| As at 1 April 2016 | - | (43,368.73) | - | - | (43,368.73) |
| Profit for the period | - | (5,931.93) | - | - | (5,931.93) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income | - | (49,300.66) | - | - | (49,300.66) |
| Intirim Dividend paid | - | - | - | - | - |
| As at 31 March 2017 | | (49,300.66) | | - | (49,300.66) |
| Profit for the period | - | (1,985.70) | - | - | (1,985.70) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income | - | (51,286.36) | - | - | (51,286.36) |
| Intirim Dividend paid | - | - | - | - | - |
| At 31 March 2018 | - | (51,286.36) | - | - | (51,286.36) |

For and on behalf of the Board

This is the Balance Sheet referred to in our audit report of even date.

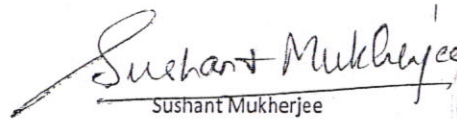
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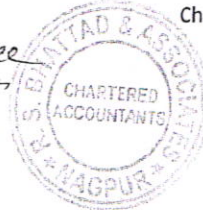
Chartered Accountants



Anand S. Sancheti
Director
DIN: 00953362
Place: Nagpur
Date: 06th July 2018



Sushant Mukherjee
Director
DIN :06791508




Mayur Parkhani
Partner
M.No. 101632

SMS Mine Developers Private Limited

Notes to financial statements for the year ended 31st March 2018

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 2018 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) Foreign Currency Transaction

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transactions. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency are translated using the exchange rate at the date when such value was determined.

Exchange Differences

All resulting exchange differences are recognized in the Profit and Loss Account.

c) Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. When a Company expects provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

d) 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 recognised 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 recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. 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

e) Investments:

Long Term investments are stated at cost. A provision for diminution in value is made to recognize a decline other than temporary, in the value of long term investments.

Current investments are stated at lower of cost unless otherwise there is permanent diminution in the investment

f) Cash and Cash Equivalents

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

g) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

h) 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.

The carrying value and fair value of financial instruments by categories as at 31/3/2018

| 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: | | | | | | |
| Cash and cash equivalents | | - | - | - | 77,100.00 | 77,100.00 |
| Other bank balances | | - | - | - | 72,613.64 | 72,613.64 |
| Liabilities: | | | | | | |
| Borrowings | | 1,00,000.00 | - | - | 1,00,000.00 | 1,00,000.00 |
| Trade Payables | | 1,000.00 | - | - | 1,000.00 | 1,000.00 |

The carrying value and fair value of financial instruments by categories as at 31/3/2017

| 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: | | | | | | |
| Cash and cash equivalents | | - | - | - | 77,100.00 | 77,100.00 |
| Other bank balances | | - | - | - | 85,599.34 | 85,599.34 |
| Liabilities: | | | | | | |
| Borrowings | | 102,000.00 | - | - | 102,000.00 | 102,000.00 |
| Trade Payables | | 10,000.00 | - | - | 10,000.00 | 10,000.00 |

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

i) 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).

k) 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.

Key accounting estimates and judgements

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 and forming part of Financial Statements as at 31st March 2018

| Particulars | As at | |
|--|--------------------|--------------------|
| | 31st March 2018 | 31st March 2017 |
| NOTE '3' | | |
| CASH AND BANK BALANCES | | |
| -Cash and Cash Equivalents | | |
| In current account with Punjab National Bank, A/c No. 3761002100024798, Dharampeth | 72,613.64 | 85,599.34 |
| Cash in Hand (As Certified) | 77,100.00 | 77,100.00 |
| TOTAL | 1,49,713.64 | 1,62,699.34 |

| NOTE '4' | | |
|---|--------------------|--------------------|
| Share Capital | | |
| Particulars | As at | |
| | 31st March 2018 | 31st March 2017 |
| Authorized Capital : | | |
| 10,000 (31.03.2018 :10000, 31.03.2017 :10000) Equity Shares of ₹ 10 each | 1,00,000.00 | 1,00,000.00 |
| Issued : | | |
| 10,000 (31.03.2018 :10000, 31.03.2017 :10000) Equity Shares of ₹ 10 each | 1,00,000.00 | 1,00,000.00 |
| Subscribed and Paid Up Capital : | | |
| 10,000 (31.03.2018 :10000, 31.03.2017 :10000) Equity Shares of ₹ 10 each | 1,00,000.00 | 1,00,000.00 |
| Grand Total | 1,00,000.00 | 1,00,000.00 |

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

| Equity shares | 31st March 2018 | | 31st March 2017 | |
|--------------------------------------|-----------------|-------------|-----------------|-------------|
| | 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 |

b. 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.

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

| Name Of Shareholders | As At 31st March 2018 | | As At 31st March 2017 | |
|--|-----------------------|--------|-----------------------|--------|
| | 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% |

| Particulars | As at | |
|----------------------------------|--------------------|--------------------|
| | 31st March 2018 | 31st March 2017 |
| NOTE '5' | | |
| RESERVES AND SURPLUS | | |
| Profit and Loss Account | | |
| Opening Balance | (49,300.66) | (43,368.73) |
| Add: Profit/Loss During The Year | (1,985.70) | (5,931.93) |
| Closing Balance | (51,286.36) | (49,300.66) |
| TOTAL | (51,286.36) | (49,300.66) |

| Particulars | As at | |
|--------------------------------|-----------------|-----------------|
| | 31st March 2018 | 31st March 2017 |
| NOTE '6' | | |
| BORROWING | | |
| Unsecured Loans and Advances * | 1,00,000.00 | 1,02,000.00 |
| | 1,00,000.00 | 1,02,000.00 |

* Note- Amount ₹ 1,00,000.00 was taken from share holder as per pursuant Sec 160 of Company Act and to be refunded back.

| Particulars | As at | |
|-----------------------|-----------------|------------------|
| | 31st March 2018 | 31st March 2017 |
| NOTE '7' | | |
| TRADE PAYABLES | | |
| For Expenses | 1,000.00 | 10,000.00 |
| TOTAL | 1,000.00 | 10,000.00 |

NOTES FORMING PART OF ACCOUNTS - STATEMENT OF PROFIT & LOSS

| Particulars | As at | |
|-----------------------|-----------------|-----------------|
| | 31st March 2018 | 31st March 2017 |
| NOTE '8' | | |
| OTHER EXPENSES | | |
| Legal charges | 909.00 | 2,100.00 |
| Statutory Audit Fees | 1,000.00 | 1,000.00 |
| Bank Charges | 76.70 | 1,331.93 |
| Consultancy Charges | - | 1,500.00 |
| TOTAL | 1,985.70 | 5,931.93 |

NOTE '9'

Earnings Per Share

| Particulars | As at | |
|---|-----------------|-----------------|
| | 31st March 2018 | 31st March 2017 |
| Number of Equity Shares of ₹ 10 each fully paid up at the beginning of the year | 10,000.00 | 10,000.00 |
| Number of Equity Shares of ₹10 each fully paid up at the end of the year | 10,000.00 | 10,000.00 |
| Weighted Average number of Equity Shares outstanding during the year | 10,000.00 | 10,000.00 |
| Net Profit/ (Loss) for the Year | (1,985.70) | (5,931.93) |
| Nominal Value per share | 10.00 | 10.00 |
| Basic / Diluted Profit per Share | (0.20) | (0.59) |

Note 10 :

INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY Ind AS-24- 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2018.

a. Holding Company:

| Name of the Company | Country of Incorporation | % of Holding as at 31.03.2018 | % of Holding as at 31.03.2017 |
|---------------------|--------------------------|-------------------------------|-------------------------------|
| SMS Limited | India | 51.00% | 51.00% |

b. Key Managerial Personnel:

| Name of the Director | Designation |
|----------------------------|-------------|
| Abhay Harakchand Sancheti | Director |
| Anand Shaktikumar Sancheti | Director |
| Akshay Sancheti | 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. |
|-----------------------------|--------------------------------|

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, 2018

| Name of Related Party | OpeningBalance 01/04/2017 | Loan / Advance Taken | Loan / Advance Returned | Closing Balance 31/3/2018 |
|-----------------------|---------------------------|----------------------|-------------------------|---------------------------|
| Referred in (b) | 2,000 | - | 2,000 | - |

d) Payment To Auditors

Audit Fees

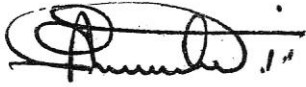
2017-2018(₹)
1,000.00

2016-2017 (₹)
1,000.00

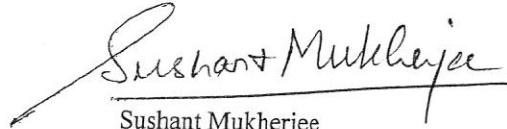
e) Prior Period Expenses:

NIL

For SMS Mine Developers Private Limited.



Anand S. Sancheti
Director
(00953362)
Place: Nagpur
Date: 06th July 2018



Sushant Mukherjee
Director
(06791508)

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



Mayur Parkhani
Partner
M.R No.101632



Projected Computation of Income for AY 2018-19

Assessee : SMS MINE DEVELOPERS PRIVATE LIMITED PAN : AAQCS3516E
Address : 267,GANESH PHADNAVIS BHAVAN,NEAR TRIANGULAR PARK , DHARA City : NAGPUR
Maharashtra Pin :440010

DOI 16/05/2007
Ward : Ward 1(1)

Res. Status: Resident

Status:Private Company

Statement of Income

Income from Business/Profession

· SMS MINE DEVELOPERS PRIVATE LIMITED - Trading in commodities (Not to be treated as speculative transactions) - contractors

| | | |
|--|---------|---------|
| Income as per , audited 44 AB | (1,986) | |
| Income chargeable under the head Business/Profession | | (1,986) |
| Loss to be carried Forward | | (1,986) |
| | | - |
| Tax | | 0 |
| Tax Refundable (rounded off U/s 288B) | | 0 |
| Balance Tax Refundable | | 0 |