



## **Independent Auditor's Report to the members of Solar Bhatgaon Extension Mines Private Limited**

### **Report on the financial statements**

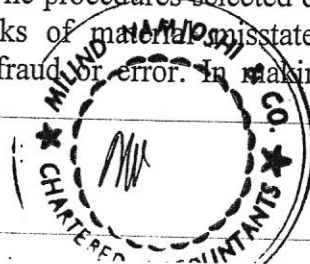
1. We have audited the accompanying standalone Ind AS financial statements of **Solar Bhatgaon Extension Mines Private Limited** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit or Loss and Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules thereunder.
3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

4. Our responsibility is to express an opinion on these standalone 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 there under.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

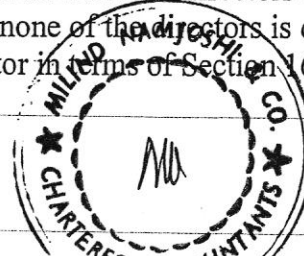
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2018, its profit including other comprehensive income its cash flow and the changes in equity for the year ended on that date.

### Report on other legal and regulatory requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 the paragraph 3 and 4 of the Order, to the extent applicable.
10. As required by Section 143 (3) of the Act, we report that:
- 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.
  - 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;
  - The balance sheet, the statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - In our opinion, the aforesaid standalone 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 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;





**MILIND NAMJOSHI & CO.**

Chartered Accountants

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

- f) In our opinion and to the best of our information and according to the explanation given to us, there are no significant matters which are not routine in nature and have an adverse effect on the functioning of the Company.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in 'Annexure B'
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) there were no amounts which were required to be transferred to the investore education and protection fund by the company.

**Other matters**

11. The comparative financial information of the Company for the year ended 31<sup>st</sup> March 2017 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014, audited by us whose report for the year ended 31<sup>st</sup> March 2017 expressed an unmodified opinion on those standalone financial statements.

For Milind Namjoshi & Co.

Chartered Accountants

Firm registration number: 115111W

Milind Namjoshi

Proprietor

Membership No.: 048392

Place: Nagpur

Date: 31/07/2018



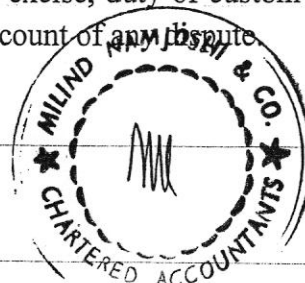


**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph under the heading "Report on other Legal & Regulatory Requirements" of our report on even date to the financial statement of Solar Bhatgoan Extension Mines Private Limited for the year ended 31<sup>st</sup> March, 2018.

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

- i) a) The company does not have any fixed assets. Therefore this clause is not applicable.  
b) Not applicable.  
c) Not applicable;
- ii) The company does not have any inventory. Therefore this clause is not applicable.
- iii) a) The Company has not granted any unsecured loans to companies, firms, Limited Liability Partnerships and other parties covered in the register maintained under section 189 of the Companies Act.  
b) Not applicable;  
c) Not applicable;
- iv) No loans, investments, guarantees, and security is provided.
- v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.
- vi) The provisions of Rules made by the Central Government for the maintenance of cost records under sub Section (!) of section 148 of the Act is not applicable to the company.
- vii) a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Value Added Tax, Service Tax, Excise and Customs Duty and other material statutory dues applicable to it and no undisputed amount is outstanding as on 31st March 2018 for a period of more than six months from the date they became payable.  
b) There are no dues in respect of wealth-tax, duty of excise, duty of custom and cess that have not been deposited with the appropriate authority on account of any dispute.





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- viii) Company neither taken any loans or borrowing from financial institution, neither bank, Government nor issued any debentures.
- ix) No moneys have been raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- x) Neither any fraud by the company nor any fraud on the Company by its officers or employees has been noticed or reported during the year;
- xi) No managerial remuneration has been paid or provided.
- xii) Company is not a nidhi Company.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Milind Namjoshi & Co.

Chartered Accountants

Firm Reg No. : 115111W

Milind Namjoshi

Proprietor

Mem. No. : 048392

Place: Nagpur

Date: 31/07/2018





**MILIND NAMJOSHI & CO.**

Chartered Accountants

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

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

### **Independent Auditors Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Solar Bhatgoan Extention Mines Private Limited** ('the Company') as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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





**MILIND NAMJOSHI & CO.**

Chartered Accountants

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

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

Milind Namjoshi  
Proprietor  
Mem. No. : 048392

Place: Nagpur  
Date: 31/07/2018



**Solar Bhatgaon Extension Mines Private Limited**  
**Balance Sheet as at 31 March 2018**

(₹)

	Notes	As at 31 March 2018	As at 31 March 2017
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Financial assets</b>			
Loans	1	1,21,73,215.75	1,21,73,215.75
Other Non-Current Assets	2	4,800.00	4,800.00
<b>Total Non-current assets</b>		<b>1,21,78,015.75</b>	<b>1,21,78,015.75</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Cash and cash equivalent	3	31,863.87	32,805.93
		31,863.87	32,805.93
Assets classified as held for Sale		-	-
		31,863.87	32,805.93
<b>Total current assets</b>		<b>1,22,09,879.62</b>	<b>1,22,10,821.68</b>
<b>Total assets</b>		<b>1,22,09,879.62</b>	<b>1,22,10,821.68</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity Share Capital	4	1,00,00,000.00	1,00,00,000.00
<b>Other Equity</b>		<b>(6,00,729.03)</b>	<b>(4,21,188.97)</b>
Reserve & surplus	5	93,99,270.97	95,78,811.03
<b>Total equity</b>		<b>93,99,270.97</b>	<b>95,78,811.03</b>
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	6	13,69,647.65	12,19,865.65
Other liabilities		-	-
		13,69,647.65	12,19,865.65
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	7	14,09,481.00	13,32,481.00
Other financial liabilities	8	16,500.00	66,500.00
Other current liabilities	9	14,980.00	13,164.00
		14,40,961.00	14,12,145.00
Liabilities directly associated with the assets classified as held for Sale		-	-
		14,40,961.00	14,12,145.00
<b>Total liabilities</b>		<b>28,10,608.65</b>	<b>26,32,010.65</b>
<b>Total equity and liabilities</b>		<b>1,22,09,879.62</b>	<b>1,22,10,821.68</b>

The accompanying notes are an integral part of the financial statements.

As per our report attached.

For Milind Namjoshi & Co.

Chartered Accountants

Firm Registration No. 115111W

*Milind Namjoshi*

CA. MILIND NAMJOSHI

PROPRIETOR

Membership No. 048392

Place : Nagpur

Date : 31/07/2018



For and on behalf of the Board of  
Directors

*S. N. Nuwal*

S. N. NUWAL

Director

DIN : 00713547

*Ajay Sancheti*

AJAY SANCHETI

Director

DIN : 00953304



**Solar Bhatgaon Extension Mines Private Limited**  
**Statement of Profit and Loss for the period ended 31 March 2018**

	Notes	As at 31 March 2018	As at 31 March 2017
(₹)			
<b>Incomes</b>			
Revenue from operations		-	-
Other income		-	-
<b>Total income</b>		-	-
<b>Expenses</b>			
Finance costs	10	1,50,734.06	1,31,989.41
Other expenses	11	28,806.00	30,296.00
<b>Total expense</b>		1,79,540.06	1,62,285.41
Profit/(loss) before exceptional items and tax from continuing operations		(1,79,540.06)	(1,62,285.41)
Exceptional items		-	-
<b>Profit/(loss) before tax from continuing operations</b>		(1,79,540.06)	(1,62,285.41)
<b>Income tax expense</b>		-	-
<b>Profit for the year</b>		(1,79,540.06)	(1,62,285.41)
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year, net of tax attributable to:</b>		(1,79,540.06)	(1,62,285.41)

The accompanying notes are an integral part of the financial statements.

As per our report attached.

For **Milind Namjoshi & Co.**

Chartered Accountants

Firm Registration No. 115111W



CA. MILIND NAMJOSHI  
 PROPRIETOR

Membership No. 048392

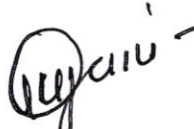
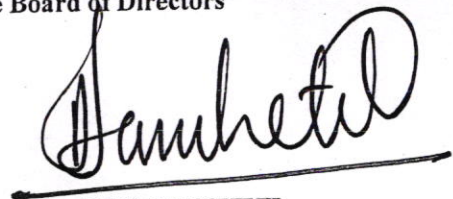
Place : Nagpur

Date : 31/07/2018



S. N. NUWAL  
 Director  
 DIN : 00713547

For and on behalf of the Board of Directors

AJAY SANCHETI  
 Director  
 DIN : 00953304

Solar Bhatgaon Extension Mines Private Limited  
Cash flow statement for the year ended 31st March, 2018

(₹)

31-Mar-18

31-Mar-17

**Cash flow from operating activities**

Profit before tax from continuing operations	(1,79,540.06)	(1,62,285.41)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Share of (profit)/loss from investment in partnership firm		
<b>Movements in working capital :</b>		
Increase / (decrease) in short-term provisions		
Increase/(decrease) in other current liabilities	1,816.00	2,155.00
Increase/ (decrease) in other long-term liabilities		
Decrease / (increase) in other non-current assets	-	-
<b>Cash generated from/(used in) operations</b>	<b>1,816.00</b>	<b>2,155.00</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>1,816.00</b>	<b>2,155.00</b>

**Cash flow from investing activities**

Net cash flow from/(used in) investing activities (B)

**Cash flow from financing activities**

Proceeds from issuance of share capital	-	-
Proceeds from issuance of preference share capital	-	-
Proceeds from long-term borrowings	1,49,782.00	1,34,785.65
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>1,49,782.00</b>	<b>1,34,785.65</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,51,598.00	1,36,940.65
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	2,30,735.04	93,794.39
<b>Cash and cash equivalents at the end of the year</b>	<b>3,82,333.04</b>	<b>2,30,735.04</b>

**Components of cash and cash equivalent**

Cash on hand	-	-
Cheques/ drafts on hand	-	-
With banks- on current account	31,863.87	32,805.93
<b>Total cash and cash equivalents</b>	<b>31,863.87</b>	<b>32,805.93</b>

The accompanying notes are an integral part of the financial statements.

As per our report attached.

For Milind Namjoshi & Co.

Chartered Accountants

Firm Registration No. 115111W

CA. MILIND NAMJOSHI  
PROPRIETOR  
Membership No. 048392  
Place : Nagpur  
Date : 31/07/2018



For and on behalf of the Board of Directors

S. N. NUWAL  
Director  
DIN : 00713547

AJAY SANCHETI  
Director  
DIN : 00953304

Solar Bhatgaon Extension Mines Private Limited  
Statement of Changes in Equity for the year ended 31 March 2018

a EQUITY SHARE CAPITAL

(₹)

Particulars	No. of Shares	Amount
As at 1 April 2016	10,00,000.00	1,00,00,000.00
Changes in equity share capital	-	-
As at 31 March 2017	10,00,000.00	1,00,00,000.00
Changes in equity share capital	-	-
As at 31 March 2018	10,00,000.00	1,00,00,000.00

b OTHER EQUITY

(₹)

Particulars	Reserves and Surplus		Items of OCI	Total Equity
	Share premium	Retained earnings	FVTOCI reserve	
As at 1 April 2016	-	(2,58,903.56)	-	(2,58,903.56)
Profit for the period	-	(1,62,285.41)	-	(1,62,285.41)
Other comprehensive income	-	-	-	-
At 31 March 2017	-	(4,21,188.97)	-	(4,21,188.97)
As at 1 April 2017	-	(4,21,188.97)	-	(4,21,188.97)
Loss for the year	-	(1,79,540.06)	-	(1,79,540.06)
Other comprehensive income	-	-	-	-
At 31 March 2018	-	(6,00,729.03)	-	(6,00,729.03)

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



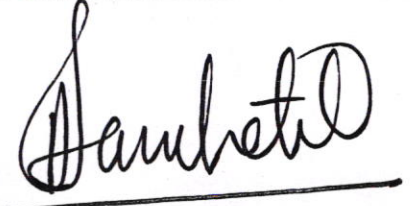
CA. MILIND NAMJOSHI  
PROPRIETOR  
Membership No. 048392  
Place : Nagpur  
Date : 31/07/2018



For and on behalf of the Board of Directors



S. N. NUWAL  
Director  
DIN : 00713547



AJAY SANCHETI  
Director  
DIN : 00953304

# Solar Bhatgaon Extension Mines Private Limited.

## Notes to financial statements for the year ended 31<sup>st</sup> March, 2018

### A. Significant Accounting Policies

#### 1. Corporate information

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

#### 2. Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013(the Act) [ Companies ( Indian Accounting Standards ) Rules, 2015], read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

#### 2.1 Summary of significant accounting policies

##### a. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### Financial assets

##### Initial recognition and measurement

All financial assets are recognised as on demand basis. Therefore, it is classified as current financial assets.

##### Financial liabilities

##### Initial recognition and measurement

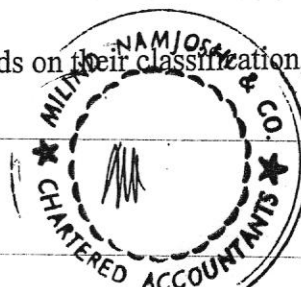
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



## **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

### **Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

## **Loans and borrowings**

This is the category most relevant to the company. After initial recognition, borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

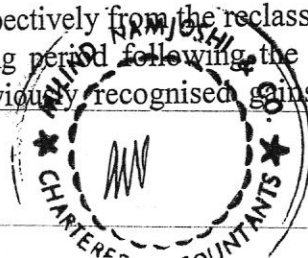
This category generally applies to borrowings. For more information refer Note 6.

## **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

### **b. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the company has the present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When a company expects any provision to be reimbursed, the reimbursement is recognized as a separate asset only when reimbursement is virtually certain. A disclosure of contingent liabilities is made where there is possible obligation or present obligation that may probably not require an outflow of resources. When there is possible or a present obligation where the likelihood of outflow of resource is remote, no provision or disclosure is made.



**Solar Bhatgaon Extension Mines Private Limited**

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

		(₹)
	31-Mar-18	31-Mar-17
<b>1 Long-term loans &amp; advances</b>		
<b>a Loans and advances to related parties</b>		
i Bhatgaon Mines (P) Ltd.	1,21,73,215.75	1,21,73,215.75
	<u>1,21,73,215.75</u>	<u>1,21,73,215.75</u>
<b>2 Other Non-Current Assets</b>		
TDS Receivable	4,800.00	4,800.00
	<u>4,800.00</u>	<u>4,800.00</u>
<b>3 Cash and cash equivalents</b>		
<b>a Balances with banks</b>		
i ICICI Bank	22,529.44	22,998.93
ii I.O.B.	9,334.43	9,807.00
<b>b Cash in hand</b>		
i Cash	-	-
	<u>31,863.87</u>	<u>32,805.93</u>



Solar Bhatgaon Extension Mines Private Limited  
Notes to financial statements for the year ended 31st March, 2018

	31-Mar-18	31-Mar-17
	(₹)	(₹)
<b>4 Share capital</b>		
<b>a Authorized shares</b>		
10,00,000 (31st March, 2017: 10,00,000) equity shares of ₹10/- each	1,00,00,000.00	1,00,00,000.00
<b>b Issued, subscribed and fully paid-up shares (No. millions)</b>		
10,00,000 (31st March, 2017: 10,00,000) equity shares of ₹10/- each	1,00,00,000.00	1,00,00,000.00
<b>Total Issued, subscribed and fully paid-up</b>	1,00,00,000.00	1,00,00,000.00

	31-Mar-18		31-Mar-17	
	No.	(₹)	No.	(₹)
<b>c Reconciliation of the shares outstanding at the Equity shares</b>				
At the beginning of the period	1000000	1,00,00,000.00	1000000	1,00,00,000.00
Issued during the period – Bonus issue				
Issued during the period – ESOP	1000000	1,00,00,000.00	1000000	1,00,00,000.00
<b>Outstanding at the end of the period</b>				

	31-Mar-18		31-Mar-17	
	No.	% holding in the class	No.	% holding in the class
<b>d Details of shareholders holding more than 5% Equity shares of ₹10/- each fully paid</b>				
SMS Infrastructure Limited	510000	51.00%	510000	51.00%
Solar Industries India Limited	490000	49.00%	490000	49.00%
	1000000	100.00%	1000000	100.00%





Solar Bhatgaon Extension Mines Private Limited  
Notes to financial statements for the year ended 31st March, 2018

	(₹)	
	31-Mar-18	31-Mar-17
<b>5 Other equity</b>		
<b>Reserve &amp; surplus</b>		
Balance as per last financial	(4,21,188.97)	(2,58,903.56)
Addition	(1,79,540.06)	(1,62,285.41)
Deletion		
Closing balance	<u>(6,00,729.03)</u>	<u>(4,21,188.97)</u>
<b>6 Non- Current borrowings</b>		
<b>a Loans and advances from related parties</b>		
i Solar Industries India Ltd.	13,69,647.65	12,19,865.65
	<u>13,69,647.65</u>	<u>12,19,865.65</u>
<b>Current borrowings</b>		
<b>a Term loans</b>		
<b>From related parties</b>		
i S N Nuwal	5,11,154.00	5,11,154.00
<b>b Loans and advances from related parties</b>		
ii SMS Infrastructure Ltd.	5,388.00	5,388.00
iii Bhatgaon Extension Mines (P) Ltd.	41,939.00	41,939.00
iv SMS Bhatgaon Mines Extension (P) Ltd.	8,51,000.00	7,74,000.00
Net amount	<u>14,09,481.00</u>	<u>13,32,481.00</u>
<b>8 Other financial liabilities</b>		
<b>a Other payables</b>		
ii Audit fees payable	15,000.00	65,000.00
iii Legal Expense Payable	1,500.00	1,500.00
	<u>16,500.00</u>	<u>66,500.00</u>
<b>Other current liabilities</b>		
<b>a Other payables</b>		
i TDS Payable	14,980.00	13,164.00
	<u>14,980.00</u>	<u>13,164.00</u>
<b>10 Finance Cost</b>		
Bank Charges	942.06	344.76
Interest	1,49,792.00	1,31,644.65
	<u>1,50,734.06</u>	<u>1,31,989.41</u>
<b>11 Other Expenses</b>		
Profession & Consultancy Charges	12000	-
Payment to Auditor	15000	15000
ROC Charges	1200	14800
TDS Expense	600	496
Expense Written Off	6	-
	<u>28806</u>	<u>30296</u>



**Solar Bhatgaon Extension Mines Private Ltd**  
**Notes to financial statements for the year ended 31st March, 2018**

**12 Contingent Liabilities and commitments**

Contingent Liabilities as per the information given by management is NIL

**13 Dues to Micro & Small Scale Enterprise**

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

	(₹)	
	31-Mar-18	31-Mar-17
<b>14 Payment to Auditor</b>		
As Auditor:		
Audit Fees	15000.00	15000.00
	<u>15000.00</u>	<u>15000.00</u>

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

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

i.

**a. Holding Company:**

1. SMS Infrastructure Limited

**b. Associate Company:**

1. Solar Industries India Limited

**c. Key Management Personnel**

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

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

Nature of Transaction	(₹)					
	Related Parties					
	Holding Company		Associate Company		Key Management Personnel	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Interest Paid	-	-	134812.00	118475.00	-	-
Expenses Incurred	-	-	14970.00	16305.00	-	-
Expense written off	-	-	6.00	-	-	-
Outstanding Balance	-	-	1369640.00	1219860.00	-	-



**16 Financial instruments**

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

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

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

**A Financial instruments by category**

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

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>						
Loans		1,21,73,215.75	-	-	1,21,73,215.75	1,21,73,215.75
Cash and cash equivalents		31,863.87	-	-	31,863.87	31,863.87
<b>Liabilities:</b>						
Borrowings		14,09,481.00	13,69,647.65	-	27,79,128.65	27,79,128.65
Other financial liabilities		16,500.00	-	-	16,500.00	16,500.00

The carrying value and fair value of financial instruments by categories as at 31 March 2017 were as follows:

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>						
Loans		1,21,73,215.75	-	-	1,21,73,215.75	1,21,73,215.75
Cash and cash equivalents		32,805.93	-	-	32,805.93	32,805.93
<b>Liabilities:</b>						
Borrowings		13,32,481.00	12,19,865.65	-	25,52,346.65	25,52,346.65
Other financial liabilities		66,500.00	-	-	66,500.00	66,500.00

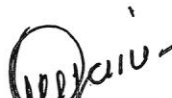
As per our report attached.  
For Milind Namjoshi & Co.  
Chartered Accountants  
Firm Registration No. 115111W



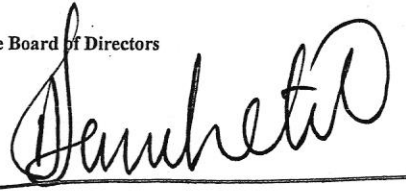
CA. MILIND NAMJOSHI  
PROPRIETOR  
Membership No. 048392  
Place : Nagpur  
Date : 31/07/2018



For and on behalf of the Board of Directors



S. N. NEWAL  
Director  
DIN:00713547



AJAY SANCHETI  
Director  
DIN: J0953304