

PATEL SHAH & JOSHI

Chartered Accountants

PARTNER :

JAYANT I. MEHTA, B. Com., FCA
YUTI SANGHVI, B. Com., ACA, ACS

CONSULTANT :

M. S. SHAH, B. A. (Econ.), FCA, A.T.I.I. (England)

Office No.: 1001, Avalon Paradise, Chincholi Bunder Road, Near Infant Jesus School, Malad (West), Mumbai-400 064.
Tel.: 022 4014 7087. Email: psjbom@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders [Members] of Khappa Coal Company Private Limited [CIN – U 10100 MH 2009 PTC 191907]

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Khappa Coal Company Private Limited [CIN – U 10100 MH 2009 PTC 191907]**, ('the Company') which comprise of the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit & Loss [including Other Comprehensive Income], the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows, for the Financial Year 2022-2023 ended 31 March 2023, and the Notes to the Standalone Financial Statements, including a Summary of Significant Accounting Policies and other Explanatory Information (hereinafter referred to as '**the Standalone Financial Statements**').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed Under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 [as amended], ('AS') and other Accounting Principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2023, and Profit, Changes in Equity and its Cash Flows for the Financial Year 2022-2023 ended 31 March 2023.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Standalone Financial Statements Section of our Report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our Audit Opinion on the Standalone Financial Statements of the Company.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgement, were of most significance in our Audit of the Standalone Financial Statements of the Financial Year 2022-2023 ended 31 March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information - Board of Directors' Report

The Company's Board of Directors is responsible for the preparation and presentation of its Report (hereinafter called as '**Board's Report**') which comprises various information required under Section 134(3) of the Companies Act 2013 but does not include the Standalone Financial Statements and our Report thereon.

Our opinion on the Standalone Financial Statements does not cover the Board's Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Board's Report and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our Audit.

Based on the work we have performed, we conclude that, we are nothing to report in this regard.



Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with AS and other Accounting Principles generally accepted in India. This responsibility also includes maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding of the Assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies, making judgements 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management 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.

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

Auditors' Responsibility for the Audit of Standalone Financial Statements

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

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

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



- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transaction and events in a manner that achieves fair presentation.
- Materiality is a magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonable knowledgeable users of the Standalone Financial Statements may influence, we consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effects of any identified misstatements in the Standalone Financial Statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the 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 requirement regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annex A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. (A) 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 Accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit & Loss [including Other Comprehensive Income], the Standalone Statement of Changes in Equity and the Statement of Cash Flow, dealt with by this Report are in agreement with the relevant Books of Accounts.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the AS specified under Section 133 of the Act read the Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Director/s as on 31 March 2023 taken on record by the Board of the Directors, None of the Director/s is disqualified as on 31 March 2023 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annex B'. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Control with reference to the Standalone Financial Statements of the Company.



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(B) 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:-

- (a) The Company does not have any pending litigations which would impact its financial position in its Standalone Financial Statements;
- (b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company "Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that caused them to believe that the representations under Sub-Clause (i) and (ii) contain any material mis-statement.
- (e) The Company has neither declared nor paid any Dividend during the Financial Year 2022-2023 ended 31 March 2023 and also, there is no contravention of the provisions of Section 123 of the Companies Act, 2013.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the Company has neither paid nor provided any Managerial Remuneration to its Director/s and/or KMP's during the Financial Year 2022-2023 ended 31 March 2023.

For Messers Patel Shah & Joshi
Chartered Accountants
ICAI Firm Regn. No. 107768W


CA Jayant I Mehta
Partner
Membership No. 042630
UDIN – 23042630BGXOCR9950



Place: Mumbai
Dated: 22 May 2023

"ANNEX - A" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the matters specified in Paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ("the Act") as referred to in Paragraph 1 of 'Report on Other Legal and Regulatory Requirements' Section.

In terms of the information and explanations sought by us and given by the Company and the Books of Accounts and Records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:-

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company do not have any Intangible Assets. Accordingly, the Para (i)(a)(B) of the Order is not applicable to the Company.

(a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a program of physical verification on reasonable intervals of Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Assets. Moreover, no material discrepancies were noticed on such verification.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title in respect of Freehold Land, disclosed in the Financial Statements included under Property, Plant and Equipment are held in the name of the Company.

(c) The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year. Accordingly, the Para (i)(d) of the Order is not applicable to the Company.

(d) No proceedings have been initiated during the financial year or are pending against the Company as at 31 March 2023 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) [As Amended] read with the Rules made thereunder. Accordingly, the Para (i)(e) of the Order is not applicable to the Company.

(ii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any Inventories. Accordingly, the Para 3(ii) of the Order is not applicable to the Company.

(iii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to the Companies, Firms, Limited Liability Partnerships, or any other Parties. Accordingly, the Para 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, made any investments or provided any guarantee or security as specified under Section 185 and 186 of the Act. Accordingly, the Para 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the Public within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act read with the Rules made there under. Accordingly, the Para 3(v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has not prescribed the maintenance of Cost Records under Section



148(1) of the Act. Accordingly, the Para 3(vi) of the Order is not applicable to the Company.

(vii) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the Financial Year end for a period of more than Six (6) Months from the Date they become payable.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues, which have not been deposited on account of any dispute. Accordingly, the Para 3(vii)(b) of the Order is not applicable to the Company.

(viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as Income in the Books of Accounts, in the tax assessment under the Income Tax Act, 1961 as Income during the Financial Year 2022-2023 ended 31 March 2023.

(ix) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been granted an Interest Free Unsecured Loan of Rs. 11,65,00,000/- as on 31 March 2023 from its Promoter Companies namely Sunflag Iron and Steel Company Limited and Dalmia Cement (Bharat) Limited in their Shareholding Ratio/s and there is no schedule for repayment of Loan or Borrowings. As such, no default on the part of the Company. Except the same, the Company did not have any Loans or Borrowings from any Other Lender during the Financial Year 2022-2023 ended 31 March 2023.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a Wilful Defaulter by any Bank, Financial Institution or any Lender, Government or Government Authority. Accordingly, the Para 3(ix)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any Term Loan/s. Accordingly, the Para 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised or obtained any funds on short term basis. Accordingly, the Para 3(ix)(d) of the Order is not applicable to the Company.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Joint Ventures or Associate Companies. Accordingly, the Para 3(ix)(e) of the Order is not applicable to the Company.

(f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any loans during the Financial Year 2022-2023 ended 31 March 2023 on the pledge of securities held in its Subsidiaries, Joint Ventures or Associate Companies. Accordingly, the Para 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of Initial Public Offer [IPO] or Further Public Offer [FPO] [including Debt Instruments]. Accordingly, the Para 3(x)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any Preferential Allotment or Private Placement of Shares or Convertible [Fully, Partly or Optionally] Debentures, during the Financial Year 2022-2023 ended 31 March 2023. Accordingly, the Para 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the Company or any fraud on the Company has been noticed or reported during the Financial Year 2022-2023 ended 31 March 2023. Accordingly, the Para 3(xi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no report under Section 143(12) of the Act has been filed by the Auditors in e-Form No. ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 [as amended] with the Central Government. Accordingly, the Para 3(xi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no Whistle-Blower Complaint/s received by the Company during the Financial Year 2022-2023 ended 31 March 2023. Accordingly, the Para 3(xi)(c) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, the Para 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been granted an Interest Free Unsecured Loan of Rs. 11,65,00,000/- as on 31 March 2023 from its Promoter Companies namely Sunflag Iron and Steel Company Limited and Dalmia Cement (Bharat) Limited in their Shareholding Ratio/s. The said Related Party Transaction is, at Arm's Length Basis, of which, proper disclosure has been made in the Financial Statements – Boards' Report and in due compliance of the provisions of the Act read with the Rules made thereunder. Except the said Transaction, the Company has not entered into any Transaction/s with any of the Related Party(ies) during the Financial Year 2022-2023 ended 31 March 2023.

(xiv) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Para 3(xiv)(b) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Director/s or Person/s connected to its Director/s. Accordingly, the Para 3(xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the Para 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities with or without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the Para 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the Para 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company or its Group does not have any CIC. Accordingly, the Para 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not incurred any Cash Losses during the Financial Year 2022-2023 ended 31 March 2023 and also, during the Previous Financial Year 2021-2022 ended 31 March 2022.

(xviii) There has not been no resignation of the Statutory Auditors during the Financial Year 2022-2023 ended 31 March 2023. Accordingly, the Para 3(xviii) of the Order is not applicable to the Company.

(xix) In our opinion and according to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management, and on the basis of our examination of the records of the Company and evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that



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Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of One (1) Year from the Balance Sheet Date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of One (1) Year from the Balance Sheet Date, will get discharged by the company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not an eligible Company in terms of the provisions of Section 135 of the Act read with the Rules made there under. Accordingly, the Para 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under Para 3(xxi) of the Order is not applicable in respect of Audit of the Standalone Financial Statements of the Company for the Financial Year 2022-2023 ended 31 March 2023. Accordingly, no comments has been included in respect of said Para 3(xxi) of the Order under this Report.

For Messers Patel Shah & Joshi
Chartered Accountants
ICAI Firm Regn. No. 107768W


CA Jayant I Mehta
Partner
Membership No. 042630
UDIN – 23042630BGXOCR9950



Place: Mumbai
Dated: 22 May 2023

“ANNEX – B” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (‘the Act’) on the Standalone Financial Statements Dated 23 May 2023 for the Financial Year 2022-2023 ended 31 March 2023 as referred to in Paragraph 2(A)(f) of the ‘Report on Other Legal and Regulatory Requirements’ Section

We have audited the Internal Financial Controls over financial reporting of **Khappa Coal Company Private Limited** [CIN – U 10100 MH 2009 PTC 191907], (‘the Company’) as of 31 March 2023 in conjunction with our Audit of the Standalone Financial Statements of the Company for the Financial Year 2022-2023 ended 31 March 2023.

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 Control over Financial Reporting (‘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 Guidance Note require that we comply with ethical requirements and plan and perform the Audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our Audit involves performing procedures to obtain Audit Evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our Audit of Internal Financial Controls over reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone 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

The 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 Standalone Financial Statements for external purposes in accordance with generally accepted Accounting Principles. The Company’s Internal Financial Control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Director/s 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31 March 2023, 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 **Messers Patel Shah & Joshi**
Chartered Accountants
ICAI Firm Regn. No. 107768W



CA Jayant I Mehta
Partner
Membership No. 042630
UDIN – 23042630BGXOCR9950



Place: Mumbai
Dated: 22 May 2023

KHAPPA COAL COMPANY PRIVATE LIMITED

Registered Office: 33, Mount Road, Sadar, Nagpur - 440 001

CIN : U10100MH2009PTC191907

BALANCE SHEET AS AT 31st MARCH 2023

	Particulars	Notes	Year Ended	Year Ended
			31.03.2023	31.03.2022
			(Rs)	(Rs)
(1)	Non - Current Assets			
	(a) Property, Plant and Equipment	3	1,64,47,646	1,64,47,646
	(b) Capital Work-in-Progress	4	12,74,56,324	12,74,56,324
	(c) Financial Assets		-	-
	(i) Investments		-	-
	(ii) Bank Balances		-	-
	(iii) Loans	5	24,14,964	24,14,964
	(d) Deferred Tax Assets (net)		-	-
			14,63,18,934	14,63,18,934
(2)	Current Assets			
	(a) Inventories		-	-
	(b) Financial Assets		-	-
	(ii) Trade Receivables		-	-
	(iii) Cash and Cash Equivalents	6	1,27,34,860	1,22,39,584
	(v) Bank Balances		-	-
	(vi) Other Financial Assets	7	83,749	76,311
	(c) Current Tax Assets (Net)		-	-
	(d) Other Current Assets		-	-
			1,28,18,609	1,23,15,895
	Total Assets		15,91,37,543	15,86,34,829
	Equity and Liabilities			
	Equity			
	(a) Equity Share Capital	8	5,00,00,000	5,00,00,000
	(b) Other Equity	9	(73,86,057)	(81,77,031)
			4,26,13,943	4,18,22,969
	LIABILITIES			
(1)	Non - Current Liabilities			
	(a) Financial Liabilities		-	-
	(i) Borrowings		-	-
	(i) Trade Payables		-	-
	(iii) Other Financial Liabilities		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	(c) Provisions		-	-
	(d) Other Financial Liabilities		-	-
			-	-
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	10	11,65,00,000	11,65,00,000
	(i) Trade Payables		-	-
	(iii) Other Financial Liabilities	11	23,600	3,11,860
	(b) Other Non-Current Liabilities		-	-
			11,65,23,600	11,68,11,860
	Total Equity & Liabilities		15,91,37,543	15,86,34,829

Significant Accounting Policies

The accompanying notes from an integral part of these financial statements

As per our report of even date as attached

For Patel Shah & Joshi

Chartered Accountants

Firm Regn. No. 107768W

CA Jayant. Mehta

Partner

Membership No.: 42630

Place : Nagpur

Date : 22nd May 2023

For and on behalf of the Board of Directors

R.Muralidhar
(Director)S. K.Gupta
(Director)

KHAPPA COAL COMPANY PRIVATE LIMITED

Registered Office: 33, Mount Road, Sadar, Nagpur - 440 001

CIN : U10100MH2009PTC191907

STATEMENT OF PROFIT OR LOSS FOR AS AT 31st MARCH 2023

	Particulars	Note No.	Year Ended	Year Ended
			31.03.2023	31.03.2022
			(Rs)	(Rs.)
I.	Revenue from Operations	12	-	-
II.	Other Income		4,69,852	4,61,410
III.	Total Revenue (I + II)		4,69,852	4,61,410
IV.	Expenses:	13		
	Cost of materials consumed		-	-
	Changes in inventories of finished goods ,stock-in-trade and		-	-
	Employee benefits expenses		-	-
	Finance Costs		-	-
	Preliminary Expense Written Off		-	-
	Depreciation & Amortization Expenses		-	-
	Excise Duty		-	-
	Other Expenses		47,496	48,445
	Total Expenses		47,496	48,445
V.	Profit before Exceptional and Extraordinary Items and Tax (III – IV)		4,22,356	4,12,965
VI.	Exceptional Items		-	-
VII.	Profit before Extraordinary Items and Tax (V – VI)		4,22,356	4,12,965
VIII.	Tax Expenses			
	(1) Current Tax		-	-
	(2) Previous Years		-	-
	(3) Income Tax Pertaining to Earlier Year		-	-
IX.	Profit / loss from continuing operations (VII - VIII)		4,22,356	4,12,965
X.	Profit / loss from discounted operations (VII - VIII)		-	-
XI.	Tax Expenses of discounted operations (VII - VIII)		-	-
XII.	Profit / loss from discounted operations (after tax) (XI - XI)		4,22,356	4,12,965
XIII.	Profit (Loss) for the period (IX+XII)		4,22,356	4,12,965
XIV.	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XV.	Total comprehensive income for the period (XIII + XIV)		4,22,356	4,12,965
XVI.	Earnings per Equity share (for continuing operations)			
	(1) Basic		0.08	0.08
	(2) Diluted		0.08	0.08
XVII.	Earnings per Equity share (for discontinued operations)			
	(1) Basic			
	(2) Diluted			
XVIII.	Earnings per Equity share (for discontinued & continuing)			
	(1) Basic			
	(2) Diluted			

As per our report of even date as attached

For PATEL, SHAH & JOSHI

Chartered Accountants

Firm Regn. No. 107768W

CA Jayant J. Mehta

Partner

Membership No: 42630



Place : Nagpur

Date : 22nd May 2023

For and on behalf of the Board

R.Muralidhar
(Director)

S. K.Gupta
(Director)

KHAPPA COAL COMPANY PRIVATE LIMITED

Registered Office: 33, Mount Road, Sadar, Nagpur - 440 001

CIN : U10100MH2009PTC191907

CASH FLOW STATEMENT FOR THE AS AT 31st MARCH 2023

Particulars	Year Ended	Year Ended
	31.03.2023	31.03.2022
	(Rs)	(Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX & EXTRAORDINARY ITEMS	4,22,356	4,12,965
ADJUSTMENTS FOR :		
OTHER NON-CASH CHARGES	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,22,356	4,12,965
(INCREASE)/DECREASE IN CURRENT ASSETS	(7,438)	(45,496)
INCREASE/(DECREASE) IN CURRENT LIABILITIES	(2,88,260)	17,800
INCOME TAX PAID	3,68,618	-
NET CASH FLOW FROM ACTIVITIES (A)	72,920	(27,696)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-	-
Mines Development Expenses	-	-
DEFERRED REVENUE EXPENDITURE	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Capital issued	-	-
UNSECURED LOAN FROM COMPANIES		
- M/s Sunflag Iron & Steel Company Limited	-	-
- M/s Dalmia Cement (Bharat) Limited.	-	-
SUB TOTAL - C	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4,95,276	3,85,269
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	1,22,39,584	1,18,54,315
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	1,27,34,860	1,22,39,584

As per our report attached
For **PATEL, SHAH & JOSHI**
Chartered Accountants
Firm Regn. No. 107768W

JAYANT J. MEHTA
PARTNER
Membership No: 42630



Place : Nagpur
Date : 22nd May 2023

For and on behalf of the Board

R.Muralidhar
(Director)

S. K. Gupta
(Director)

KHAPPA COAL COMPANY PRIVATE LIMITED

Registered Office: 33, Mount Road, Sadar, Nagpur - 440 001

CIN : U10100MH2009PTC191907

Statement of changes in equity for the year ended 31st Mar, 2023

Reserve and Surplus

Amount in Rs

Particular	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Retained Earnings Account-Remesurement	Total
As at March 31,2021				(85,89,996)		(85,89,996)
Total comprehensive income for the year						-
profit for the year				4,12,965		4,12,965
As at March 31,2022				(81,77,031)		(81,77,031)
Total comprehensive income for the year						-
profit for the year				4,22,356		4,22,356
As at March 31,2023				(73,86,057)		(73,86,057)

Nature of reserves

Retained earnings represent the undistributed profits of the company

Other comprehensive Income (OCI) reserve represent the balance in equity for items to be accounted in OCI. OCI is classified into (i) items that will not be reclassified to profit and loss , and (iii) items that will be reclassified to statement of profit and loss.

General reserve represent's statutory reserve, this is an accordance with Indian Corporate Law wherein a portion of profit is apportioned to general 2013,transfer of any amount to general reserve is at the discretion of the Company.

As per our report of even date as attached

For Patel Shah & Joshi

Chartered Accountants

Firm Regn. No. 107768W

Jayant Mehta

Partner

M.No. 42630

Place : Nagpur

Date : 22nd May 2023



For and on behalf of the Board

R. Muralidhar
(Director)

S. K. Gupta
(Director)

KHAPA COALCOMPANY PRIVATE LIMITED

Registered Office: 33, Mount Road, Sadar, Nagpur — 440 001

CIN: U10100MH2009PTC191907

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023:

NOTE — 1: CORPORATE INFORMATION:

Khappa Coal Company Private Limited (KCCPL) is a Private Limited Company and incorporated under the provisions of the Companies Act, 1956. KCCPL is having its registered office at 33, Mount Road, Sadar, Nagpur — 440 001 (Maharashtra). KCCPL is a Special Purpose Vehicle (SPV) floated by Sunflag Iron & Steel Company Limited, (SISCO) and Dalmia Cement (Bharat) Limited, (DCBL) for the purpose of development of Khappa & Extn. Coal Block (Captive Coal Mine), allocated by the Ministry of Coal (MOC), Government of India, for excavation of coal for captive use. As per the allocation letter issued by the MOC, SISCO holds 63.27% & DCBL holds 36.73% of share in the Khappa & Extn. Coal Block. The Joint holder's viz. SISCO and DCBL holds the equity shares of KCCPL in the proportion to their share in the Khappa & Extn. Coal Block as allocated by the MOC, viz. SISCO — 63.27% and DCBL — 36.73%.

NOTE — 1.1: SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Presentation of Financial Statements:

The Financial statements of the Company has been prepared in accordance with the Indian accounting standards (Ind AS) notified under the Companies (Indian Accounting Standard), Rules 2015 , as amended and other relevant provisions of the Companies Act,2013.

These financial statements have been prepared under the historical cost convention on the accrual basis, and certain financial instruments are measured at fair value, as explained in accounting policies.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakh (00,000), except when otherwise indicated.

The financial statements for the year ended 31st March, 2023 were authorized and approved for issue by the Board of Directors on 22nd May 2023.

(b) Property, plant and equipment:

Property , plant and equipment are stated at original cost net of tax / duty credit availed , less accumulated depreciation and accumulated impairment losses , when significant part of the property , plant and equipment are required to be replaced at intervals , the company derecognized the replaced part of the property , plant and equipment are required to be replaced at intervals , the company derecognized the replaced part and recognised the new parts with its own associated useful life and deprecated accordingly. Likewise when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the incurred. The present value of the excepted cost or the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress includes property plant & equipment under installation / under development as at the balance sheet date.

Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is deprecated on the same basis as other property, plant and equipment.

Property, plant and equipment from the financial statement, either on disposal or when retired from the active use. Losses arising in the case of retirement of property, plant and equipment are a recognized in the statement of the profit and loss in the year.



Signature

(c) **Depreciation and amortization:**

The assets residual values, useful lives and methods of depreciation are reviewed each financial year and adjusted prospectively if applicable.

Deprecation on property , plant and equipment is provided over the useful life of assets as specified in schedule –II to the Companies Act, 2013 one straight line method except in case of heavy & light vehicles which are depreciated on written down basis.

However, in respect of certain plant & machinery and electric installation, depreciation is provided as per their useful lives assessed on the basis of technical evaluation by the technical expert and management estimate. The details of which are as follows:-

Assets Description	Useful life	Useful life as per schedule – II of the companies Act, 2013
Plant and Machinery	20 Years	-----

Property, plant and equipment which are added / disposed – off during the year, depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

No depreciation is charged on free hold land and capital work in progress.

Intangible assets are amortized over its useful life not exceeding six years on straight line basis.

(d) **Borrowing Cost:**

Borrowing cost when incurred on construction or acquisition of assets which will take substantial period of time for construction/put to use are capitalized in cost of assets as required under accounting Standard AS- 16. All other borrowing costs are charged to revenue.

(e) **Deferred Taxation:**

Deferred tax is recognized subject to the consideration of prudence on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

(f) **Cash and cash equivalents (for purposes of Cash Flow Statement):**

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

(g) **Cash Flow Statement:**

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



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KHAPPA COAL COMPANY PRIVATE LIMITED, 33, MOUNT ROAD, SADAR, NAGPUR

Note - 3 : FIXED ASSETS TANGIBLE AND INTENGIBLE

FY 2022-2023

FIXED ASSETS

Sl. No.	Particulars	Rate of Depreciation (S.L.M)	GROSS BLOCK AT COST		DEPRECIATION			Amount in Rs	
			AS ON 01.04.2022	ADDITIONS DURING YEAR	TOTAL AS AT 31.03.2023	AS ON 01.04.2022	FOR THE YEAR	TOTAL AS AT 31.03.2023	NET BLOCK
1	Freehold Land	-	1,64,28,184	-	1,64,28,184	-	-	-	1,64,28,184
2	Air Conditioners	19.00%	49,800	-	49,800	47,310	-	47,310	2,490
3	Fixture & Furnitures	9.50%	2,49,689	-	2,49,689	2,37,204	-	2,37,204	12,485
4	Computers	16.21%	1,12,450	-	1,12,450	1,07,963	-	1,07,963	4,487
	Total		1,68,40,123	-	1,68,40,123	3,92,477	-	3,92,477	1,64,47,646

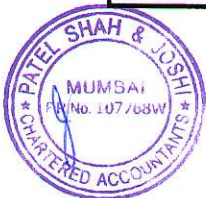
Total	1,68,40,123	-	1,68,40,123	2,79,140	65,897	3,45,037	1,64,95,086	1,65,60,983
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Note - 4 : CAPITAL WORK-IN-PROGRESS

Amount in Rs.

Particulars		As at 01.04.2022	EXPENSES 31.03.2023	As at 31.03.2023
MINES DEVELOPMENT & PRE-OPERATIVE EXPENSES				
(1) Mine Development Direct Expenses				
i Geological Report		12,48,01,216	-	12,48,01,216
ii Lease Application Fee		3,500	-	3,500
iii Expense for Public Hearing		45,263	-	45,263
iv Conceptual Plan and Survey		26,06,345	-	26,06,345
v Bank Charges & Commission		51,95,335	-	51,95,335
		13,26,51,659		13,26,51,659
Less : Interest on Income Tax Refund			-	
Less : Interest on Margin Money Against Bank Guarantee		(22,76,890)	-	(22,76,890)
TOTAL (A)		13,03,74,769	-	13,03,74,769
(2) Mine Development Indirect Expenses				
i Employee Benefits		45,40,010	-	45,40,010
ii Administrative Expenses		35,58,987	-	35,58,987
iii Interest & Finance cost		12,466	-	12,466
TOTAL (B)		81,11,463	-	81,11,463
Less : Interest on Fixed Deposit		(4,84,358)	-	(4,84,358)
TOTAL (C)		(4,84,358)	-	(4,84,358)
Net Mine Development Expenses (A+B+C)		13,80,01,874	-	13,80,01,874
Less: Expenses Recognised to be writtern off transfer to				
(3) Mine Development Administrative Expenses				
i Audit Fee		1,57,236	-	1,57,236
ii Bank Charges & Commission		1,58,556	-	1,58,556
iii Legal Expenses		76,022	-	76,022
v Depreciation		2,23,838	-	2,23,838
vi Profession Tax - Company		22,975	-	22,975
vii Telephone & Communication Exp		99,473	-	99,473
viii ROC Filling Fee		22,660	-	22,660
ix Unamortised Expenses to the extent not Written off		10,03,890	-	10,03,890
X Income Tax Releated to Earlier year			-	
Add Provision For Income Tax				
Current Year		1,78,953	-	1,78,953
Previous Year		6,28,421	-	6,28,421
Deffered Tax		-	-	-
TOTAL (D)		25,72,024		25,72,024
(4) Mine Development Direct Expenses				
Bank Charges & Commission		51,95,335		51,95,335
TOTAL (E)		51,95,335		51,95,335
(5) Mine Development Indirect Expenses				
Employee Benefits		45,40,010		45,40,010
Administrative Expenses		35,58,987		35,58,987
Interest & Finance cost		12,466		12,466
TOTAL (F)		81,11,463		81,11,463
Expenses Recognised to be writtern off transfer to Profit and		1,58,78,822		1,58,78,822
(6) Add : Income Transfired to Profit & Loss Account (E)		53,33,272	-	53,33,272
Net Mine Development Expenses (A+B+C-D+E)		12,74,56,324	-	12,74,56,324



Note – 5 : LONG TERM LOANS AND ADVANCES

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Advances to Vendor	24,14,964	24,14,964
Total	24,14,964	24,14,964

Note – 6 : CASH AND CASH EQUIVALENT

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Cash in hand	8,276	8,701
Cash at Bank		
In Current Account	37,26,584	32,30,883
In Fixed Deposit	90,00,000	90,00,000
Total	1,27,34,860	1,22,39,584

Note – 7 : OTHER CURRENT ASSETS

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Interest Accrued but not due	37,602	30,507
Tds Receivable Fy 2021-22	46,147	45,804
Total	83,749	76,311



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NOTES FORMING PART OF BALANCE SHEET AS AT 31st Mar 2023

Note – 8 : SHARE CAPITAL

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Authorised Share Capital 100,00,000 Equity Shares of ₹10 each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid-up Share Capital 50,00,000 Equity Shares of ₹10 each	5,00,00,000	5,00,00,000
Total	5,00,00,000	5,00,00,000

a) Reconciliation of the Equity Shares Outstanding at the beginning and at the end of the reporting period

Particulars	No. of Equity Shares	Amount in Rs
Shares outstanding at the beginning of the year	50,00,000	5,00,00,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	50,00,000	5,00,00,000

Shareholder	As at 31 March 2023		As at 31 March 2022	
	% holding	No. of Shares	% holding	No. of Shares
Sunflag Iron & Steel Company. Limited	63.27%	3,163,500	63.27%	3,163,500
Dalmia Cement Bharat Limited	36.73%	1,836,500	36.73%	1,836,500

It is declared that during the period of five years immediately preceding the date of Balance Sheet

- the company has not issued any class of shares without payment being received in cash.
- the company has not issued any class of shares allotted as fully paid up by way of bonus share.
- the company has not bought back any class of shares.

Note – 9 : RESERVES & SURPLUS

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
General Reserve		
Profit & Loss Account		
Opening Balance	(81,77,031)	(85,89,996)
Add :- Profit/ (Loss) for the year	4,22,356	4,12,965
Less : Income Tax Related to Earlier year	3,68,618	-
Total	(73,86,057)	(81,77,031)

Note – 10 : OTHER LONG TERM LIABILITIES

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Unsecured Loans from Related parties		
from : - M/s Sunflag Iron & Steel Co. Ltd.	7,37,09,550	7,37,09,550
- M/s Dalmia Cement (Bharat) Ltd.	4,27,90,450	4,27,90,450
Total	11,65,00,000	11,65,00,000

The above stated loans are unsecured and interest free. There is no stipulation of time as to repayment of the said loans

Note – 11 : OTHER CURRENT LIABILITIES

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Audit Fee Payable	23,600	23,600
Provision for Income Tax	-	2,88,260
Professional Tax Payable	-	-
Total	23,600	3,11,860



NOTES FORMING PART OF BALANCE SHEET AS AT 31st Mar 2023

Note – 12 : OTHER INCOME

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Interest Received from Bank on Term Deposits	4,61,594	458930
Interest Received on Income Tax Refund	8,258	2,480
Total	4,69,852	4,61,410

Note – 13 : OTHER EXPENSES

Particulars	Amount in Rs	
	As at 31.03.2023	As at 31.03.2022
Audit Fee	23,600	23,600
Administrative Expenses	1,352	1,303
Interest & Finance Cost	-	-
Bank Charges & Commission	649	649
Legal Expenses	-	-
Professional Tax of Company	2,500	2,500
Telephone & Communication Exp	15,495	16,743
ROC Filling Fee	3,900	3,650
Total	47,496	48,445



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NOTE — 14: CONTINGENT LIABILITY:

(a) The liability towards cost of Geological report payable to the Directorate of Geology, Maharashtra is not quantified and not recognized. (b) The Company has issued a bank guarantee of ₹3,90,00,000 (Rupees Three Crores Ninety Lacs) to the Ministry of Coal for achieving the milestones of production set for development of the coal block. Further the Company have received a letter no. 13016/56/2008/CA-I dated 5th Aug, 2015 from the Govt. of India, Ministry of Coal, stating that an amount of Rs.0.585 Crores (Rupees Fifty Eight Lacs Fifty Thousand only) to be deducted from the above Bank Guarantee, subject to obtaining directions from the Hon'ble High Courts. Since the matter is sub-judiced under the Hon'ble High Court, the company has not recognized any liability as on the date of Balance Sheet.

NOTE —15: STATUS OF COMPANY SHARE CAPITAL AND JV'S:

The share capital of the company is in proportion of the share of coal in the Block as allocated by the Ministry of Coal, Government of India.

Sr. No.	Joint Venture Partners	Share %
1.	M/s. Sunflag Iron & Steel Co. Ltd	63.27%
2.	M/s Dalmia Cement (Bharat) Ltd.	36.73%

NOTE — 16: RELATED PARTY DISCLOSURES:

Sr. No	Related Party	Relationship
1	a. Sunflag Iron & Steel Co. Ltd. b. Dalmia Cement (Bharat) Ltd.	Enterprises that exercises control over the Company
2	Shri. Surendra Kumar Gupta Shri. R. Murlidhar Shri. E R C Shekar Shri U R Raju Shri T. Venkatesan	Key Managerial Personal

TRANSACTION WITH THE RELATED PARTIES: (Amount ₹)

Sr. No Transaction	Year ended 31.03.2023	Year ended 31.03.2022
1.Share Application money received:		
a. Personal Ltd.	Nil	Nil
b. Dalmia Cement (Bharat) Ltd.	Nil	Nil
2. Interest Free Corporate Loan from:		
a. Sunflag Iron & Steel Co. Ltd.	Nil	Nil
b. Dalmia Cement (Bharat) Ltd.	Nil	Nil
3. Outstanding Balance as on 31.03.2023:		
a. Sunflag Iron & Steel Co. Ltd.	73,709,550	73,709,550
b. Dalmia Cement (Bharat) Ltd.	42,790,450	42,790,450

NOTE-17:"Pursuant to the Supreme Court Order dated 24th September, 2014, the Coal Block allocated to the company stands cancelled. Subsequent to the cancellation of previous allocation, the Government of India, Ministry of Law and Justice (Legislative Department) has promulgated an Ordinance on October 21, 2014 for implementing the order of Supreme Court and fixation of compensation etc. to the prior allottees. But the process of re-allotment through auction in respect of the Company's mine categorized under Schedule III mines is pending and accordingly the compensation receivable is not crystallized. However, the company had now identified certain expenditure incurred which are not recoverable, but shown under Capital working in Progress and recognized the same to be written-off. Accordingly Profit and loss account has been prepared to charge these expenses.

Previous year's figure have been regrouped / reclassified wherever necessary to make them more comparable.

SIGNATURES TO NOTES "1 TO 17"

As per our report attached
For PATEL, SHAH & JOSHI
CHARTERED ACCOUNTANT
(CA JAYANT I. MEHTA)
PARTNER
Mem. No. 42630



DATE: 22nd May 2023
PLACE: NAGPUR

DIRECTORS

DIRECTORS