

OPSinghania & Co.

CHARTERED ACCOUNTANTS
JDS CHAMBERS, 1ST FLOOR, 6-CENTRAL AVENUE,
CHOUBE COLONY, RAIPUR -492001(C.G.) INDIA
PHONE: 0771- 4041236, 4061216
Email:opsinghania.co@gmail.com

Independent Auditor's Report

To the Members of Natural Resources Energy Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Natural Resources Energy Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 thereunder.

We conducted our audit 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.

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. 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.

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

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 including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter to the financial statements:

The company has incurred losses in current year and also having accumulated losses which eroded its net worth. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

- (e) The going concern matter described in paragraph under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the company;
- (f) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- (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. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 09th May, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

- (i) As the Company does not have any fixed assets, therefore, the provisions of Clause (i)(a) to (i)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (ii) As the Company does not have any inventories, therefore, the provisions of Clause (ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iii) The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Therefore, the provisions of Clause (iii)(a) to (iii)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not taken any deposits from public; therefore the provisions of clause (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) According to the information & explanations given to us, the Company has not started any commercial production, therefore, the provisions of clause (vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, goods and services tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, goods and services tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan or borrowing from any bank, financial institution or government. Therefore, the provisions of clause (viii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Therefore, the provisions of clause (ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause (x) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xi) The Company has not paid /provided for managerial remuneration during the year. Therefore, the provisions of clause (xi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause (xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements 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. Therefore, the provisions of clause (xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of clause (xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause (xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 09th May, 2018

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Natural Resources Energy 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 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 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 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 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.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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 financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 09th May, 2018

NATURAL RESOURCES ENERGY PVT. LTD.
Balance Sheet as at 31st March 2018

	Particulars	Note	31.03.2018 (Amount in INR)	31.03.2017 (Amount in INR)
	ASSETS			
(1)	Non-current Assets			
(a)	Deffered Tax Assets	3	119,219	115,479
			119,219	115,479
(2)	Current Assets			
(a)	Financial Assets			
(i)	Bank, Cash & cash equivalents	4	145,575	162,025
(b)	Other Current Assets	5	32,178	32,178
			177,753	194,203
	TOTAL ASSETS		296,972	309,682
	EQUITY AND LIABILITIES:			
	Equity			
(a)	Equity Share capital	6	100,000	100,000
(b)	Other Equity		(117,925)	(111,251)
	Liabilities			
(1)	Non-current Liabilities :			
			-	-
			(17,925)	(11,251)
(2)	Current Liabilities			
(a)	Other current liabilities	7	314,897	320,933
			314,897	320,933
	TOTAL EQUITY AND LIABILITIES		296,972	309,682

SIGNIFICANT ACCOUNTING POLICIES **1 & 2**
 THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

As Per Our Report Of Even Date Attached

For O.P. Singhania & Co.
 (Firm Regn.No.002172C)
 Chartered Accountants,

**For and on behalf of the Board of Directors of
 Natural Resources Energy Private Limited**

Sanjay Singhania
Partner
 Membership No.076961

V.T.Naidu
Director
 DIN:00009930

Ravi Thakur Das Laddha
Director
 DIN:00008358

Place : Raipur
 DATED : 09.05.2018

NATURAL RESOURCES ENERGY PVT. LTD.
Statement of Profit and loss for the year ended 31st March 2018

	Particulars	Note	31.03.2018 (Amount in INR)	31.03.2017 (Amount in INR)
I.	Other income		-	-
II.	Total Revenue		-	-
III.	Expenses:			
	Other expenses	8	10,414	26,959
	Total Expenses		10,414	26,959
IV.	Profit Before Tax (II - III)		(10,414)	(26,959)
V.	Tax expense: Deferred tax		(3,740)	-
			(3,740)	-
VI.	Profit for the period (IV - V)		(6,674)	(26,959)
	Other comprehensive income for the year		-	-
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(6,674)	(26,959)
VII.	Earnings per equity share:	9		
	Basic		(0.67)	(2.70)
	Diluted		(0.67)	(2.70)

SIGNIFICANT ACCOUNTING POLICIES **1 & 2**
THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

As Per Our Report Of Even Date Attached

For O.P. Singhania & Co.
(Firm Regn.No.002172C)
Chartered Accountants,

**For and on behalf of the Board of Directors of
Natural Resources Energy Private Limited**

Sanjay Singhania
Partner
Membership No.076961

V.T.Naidu
Director
DIN:00009930

Ravi Thakur Das Laddha
Director
DIN:00008358

Place : Raipur
DATED : 09.05.2018

NATURAL RESOURCES ENERGY PRIVATE LIMITED
Statement of changes in Equity

Particulars	Equity Share Capital	Other Equity		Total Equity Attributable to equity holders of the Company
		Retained Earnings	Other items of other comprehensive income	
Balance as of April 1, 2016	100,000	(84,292)	-	15,708
Changes in equity for the year ended March 31, 2017				
Profit/(loss) for the period		(26,959)		(26,959)
Balance as of March 31, 2017	100,000	(111,251)	-	(11,251)

Particulars	Equity Share Capital	Other Equity		Total Equity Attributable to equity holders of the Company
		Retained Earnings	Other items of other comprehensive income	
Balance as of April 1, 2017	100,000	(111,251)	-	(11,251)
Changes in equity for the year ended March 31, 2018				
Profit/(loss) for the period	-	(6,674)	-	(6,674)
Balance as of March 31, 2018	100,000	(117,925)	-	(17,925)

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

As Per Our Report Of Even Date Attached

For O.P. Singhania & Co.
(Firm Regn.No.002172C)
Chartered Accountants,

For and on behalf of the Board of Directors of
Natural Resources Energy Private Limited

Sanjay Singhania
Partner
Membership No.076961

V.T.Naidu
Director
DIN:00009930

Ravi Thakur Das Laddha
Director
DIN:00008358

Place : Raipur
DATED : 09.05.2018

NATURAL RESOURCES ENERGY PVT. LTD.
Cash Flow Statement For The Year Ended 31st March, 2018

Particulars	31.03.2018	31.03.2017
	(Amount in INR)	(Amount in INR)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax as per Profit & Loss Account	(10,414)	(26,959)
Adjustments to reconcile profit before tax to cash generated by operating activities		
Changes in assets and liabilities		
Other Current Liabilities	(6,036)	(52,913)
Other Current Assets	-	213,328
	(16,450)	133,456
Income Tax Paid	-	-
NET CASH (USED)/GENERATED IN OPERATING ACTIVITIES	(16,450)	133,456
B. CASH FLOW FROM INVESTING ACTIVITIES :		
	-	-
NET CASH (USED)/GENERATED IN INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
	-	-
NET CASH (USED)/GENERATED IN FINANCING ACTIVITIES	-	-
Increase/(decrease) in Cash and Cash equivalents (A+B+C)	(16,450)	133,456
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(16,450)	133,456
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	162,025	28,569
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	145,575	162,025

Notes:

(a) Cash and cash equivalent include the following :

Cash on Hand	-	250
Balance with Banks	145,575	161,775
	145,575	162,025

(b) Figures in brackets represent outflows.

(c) Previous year figures have been recast/restated wherever necessary.

As per our report of even date

For O P Singhania & Co.

(Firm Reg. No.002172C)

Chartered Accountants

**For and on behalf of the Board of Directors of
Natural Resources Energy Private Limited**

Sanjay Singhania

Partner

Membership No.076961

V.T.Naidu

Director

DIN:00009930

Ravi Thakur Das Laddha

Director

DIN:00008358

Place : Raipur

DATED : 09.05.2018

NATURAL RESOURCES ENERGY PVT. LTD.
Notes to financial statements for the year ended 31st March, 2018

1. Corporate information

Natural Resources Energy Pvt. Ltd. (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act.

2. Basis of preparation

- i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.
- ii) The standalone financial statements have been prepared on a historical cost basis, except certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

2.1 Summary of significant accounting policies**a) Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

b) Fair Value Measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NATURAL RESOURCES ENERGY PVT. LTD.
Notes to financial statements for the year ended 31st March, 2018

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

c) Taxes on Income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

d) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and 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 of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

NATURAL RESOURCES ENERGY PVT. LTD.
Notes to financial statements for the year ended 31st March, 2018

e) Other Income

Other income is comprised primarily of interest income and dividend income. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

f) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard.

g) Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Natural Resources Energy Private Limited
Notes to financial statements for the year ended 31st March, 2018

Note 3	As at 31 March 2018	As at 31 March 2017
DEFFERED TAX ASSET (NET)	Rs.	Rs.
Deffered Tax Asset on unused tax losses	41,433	37,693
Unused Tax Credit	77,786	77,786
	119,219	115,479

Note 4	As at 31 March 2018	As at 31 March 2017
Cash & Bank Balance	Rs.	Rs.
(a) Balances with banks In current accounts	145,575	161,775
(b) Cash on hand	-	250
Total	145,575	162,025

Note 5	As at 31 March 2018	As at 31 March 2017
OTHER CURRENT ASSETS	Rs.	Rs.
Advances other than capital advances		
(a) Other Advances		
TDS Receivable	32,178	32,178
Total	32,178	32,178

Note 6	As at 31 March 2018		As at 31 March 2017	
	No.	Rs.	No.	Rs.
EQUITY SHARE CAPITAL				
Authorised				
Equity Shares of ₹ 10/- each	50,000	500,000	50,000	500,000
Issued, Subscribed and fully paid up				
Equity Shares of ₹ 10/- each	10,000	100,000	10,000	100,000
	10,000	100,000	10,000	100,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31 March 2018		As at 31 March 2017	
	No.	Rs.	No.	Rs.
At the beginning of the period	10,000	100,000	10,000	100,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100,000	10,000	100,000

Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

Natural Resources Energy Private Limited
Notes to financial statements for the year ended 31st March, 2018

Details of shareholders holding/ Ultimate holding company and their subsidiaries:

	As at 31 March 2018		As at 31 March 2017	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10/- each fully paid				
Sarda Energy & Minerals Limited	7,155	71.55	7,155	71.55
Sarda Metals & Alloys Limited	2,845	28.45	2,845	28.45
	10,000	100	10,000	100.00

Details of shareholders holding more than 5% share in company

Equity shares	As at 31 March 2018		As at 31 March 2017	
	No.	Rs.	No.	Rs.
Equity Shares of Rs.10/- each fully paid				
Sarda Energy & Minerals Ltd	7,155	71.55	7,155	71.55
Sarda Metal & Alloy Ltd	2,845	28.45	2,845	28.45
Outstanding at the end of the period	10,000	100	10,000	100

Note 7	2017-18	2016-17
OTHER CURRENT LIABILITIES	Rs.	Rs.
(a) Audit fees payable	7,080	5,750
(b) Expenses payable	1,636	9,002
(c) Deposit from Holding Company	306,181	306,181
Total	314,897	320,933

Note 8	2017-18	2016-17
OTHER EXPENSES	Rs.	Rs.
Miscellaneous Expenses		
Filing fees	1,636	10,411
Legal & Professional Expenses	1,330	3,902
Bank Charges	118	115
Interest Expenses	-	6,781
Other Expenses	250	-
Payment to Auditors (refer below)	7,080	5,750
Total	10,414	26,959

	2017-18	2016-17
PAYMENTS TO AUDITOR	Rs.	Rs.
As auditor:		
Audit fee	7,080	5,725
Total	7,080	5,725

Natural Resources Energy Private Limited
Notes to financial statements for the year ended 31st March, 2018

Note 9	2017-18	2016-17
EARNINGS PER SHARE (EPS)	Rs.	Rs.
Net Profit/(loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders	(6,674)	(26,959)
Nominal Value of Equity Shares (Rs.)	10	10
Weighted average number of Equity Shares used as denominator for calculating basic EPS	10,000	10,000
Weighted average number of Equity Shares used as denominator for calculating Diluted EPS	10,000	10,000
Basic (Rs.)	(0.67)	(2.70)
Diluted (Rs.)	(0.67)	(2.70)

Note 10

RELATED PARTY DISCLOSURES

a) Names of Related Parties and description of relationship

Description of Relationship	Names of Related Parties
- Holding Company - Subsidiary of Holding Company(Fellow Subsidiary) - Key Management Personnel	Sarda Energy & Minerals Limited Sarda Metal & Alloys Limited - Ravi Thakur das Ladha - V. T. Naidu

b) Material transactions with Related Parties

Outstanding 31.03.2018

Payable	306181	306181
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Note 11

Contingent Liabilities not provided for, are in respect of :-

There is a no contingent liabilities against the company.

Note 12

Previous year's figures have been regrouped/rearranged wherever necessary.

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

As Per Our Report Of Even Date Attached

For O.P. Singhania & Co.

(Firm Regn.No.002172C)

Chartered Accountants,

**For and on behalf of the Board of Directors of
Natural Resources Energy Private Limited**

Sanjay Singhania

Partner

Membership No.076961

Place : Raipur

DATED : 09.05.2018

V.T.Naidu

Director

DIN:00009930

Ravi Thakur Das Laddha

Director

DIN:00008358