



## INDEPENDENT AUDITOR'S REPORT

To the Members of **Prateek Mines & Minerals Private Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **Prateek Mines & Minerals Private Limited** ("the Company"), which comprise the balance sheet as at **31<sup>st</sup> March 2021**, and the statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw your attention to **Note no. 2 Xii** to the financial statements which explains the managements' assessment of the financial impact due to the lock down and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment



of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

### **Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on Other Legal and Regulatory Requirements

This report does not include a statement on the matter's specified in Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act 2013, since in our opinion, and according to the information and explanation given to us, the said Order is not applicable to the Company.

As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(a) 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

(b) The Balance Sheet, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(d) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(e) 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.*



iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. Kejriwal & Co.

Chartered Accountants

FRN: 324555E



 CA Krishan Gopal Kejriwal

(Partner)

Membership No.: 060699

Place of Signature: Kolkata

Date: 27<sup>th</sup> Day of May , 2021

**UDIN: 21060699AAAAAB6637**

# PRATEEK MINES & MINERALS PRIVATE LIMITED

Balance Sheet as at 31st March, 2021

| SL.<br>No                                | Particular | Note<br>No.       | As at 31st March<br>2021 | As at 31st<br>March 2020 |
|--|------------|-------------------|--------------------------|--------------------------|
|  |            |                   | ₹                        | ₹                        |
| <b>A ASSETS</b>                          |            |                   |                          |                          |
| <b>1 Non Current Assets</b>              |            |                   |                          |                          |
| (a) Property Plant and Equipment         | 3          | 2,136,264         | 2,216,910                |                          |
| (b) Deferred Tax Assets (Net)            | 4          | 326,477           | 386,184                  |                          |
| (C) Other Assets                         | 5          | 297,770           | 297,770                  |                          |
| (d) Loans                                | 5          | 781,979           | 781,979                  |                          |
|  |            | <b>3,542,491</b>  | <b>3,682,843</b>         |                          |
| <b>2 Current Assets</b>                  |            |                   |                          |                          |
| (a) Financial Assets                     |            |                   |                          |                          |
| i) Trade Receivable                      | 6          | 12,299,700        | 12,576,370               |                          |
| ii) Loans                                | 5          |                   |                          |                          |
| iii) Cash and Cash Equivalent            | 8          | 1,206,412         | 1,188,159                |                          |
| iv) Bank Balances other than (iii) above | 9          | 223,737           | 209,159                  |                          |
| b) Other Current Assets                  | 7          | 281,439           | 281,439                  |                          |
|  |            | <b>14,011,289</b> | <b>14,255,127</b>        |                          |
| <b>Total Assets</b>                      |            | <b>17,553,780</b> | <b>17,937,971</b>        |                          |
| <b>B EQUITY AND LIABILITIES</b>          |            |                   |                          |                          |
| <b>1 EQUITY</b>                          |            |                   |                          |                          |
| (a) Equity Share Capital                 | 10         | 895,000           | 895,000                  |                          |
| (b) Other Equity                         | 11         | 8,331,130         | 8,732,436                |                          |
|  |            | <b>9,226,130</b>  | <b>9,627,436</b>         |                          |
| <b>2 LIABILITIES</b>                     |            |                   |                          |                          |
| <b>Non-Current Liabilities</b>           |            |                   |                          |                          |
| (a) Financial Liabilities                |            |                   |                          |                          |
| i) Borrowing                             | 12         | 7,621,558         | 7,621,558                |                          |
| (b) Provision                            |            | 27,795            | 127,795                  |                          |
|  |            | <b>7,749,353</b>  | <b>7,749,353</b>         |                          |
| <b>Current Liabilities</b>               |            |                   |                          |                          |
| (a) Other Current Liabilities            |            |                   |                          |                          |
| (b) Provision                            |            | 536,117           | 548,942                  |                          |
|  |            | 42,180            | 12,240                   |                          |
|  |            | <b>578,297</b>    | <b>561,182</b>           |                          |
| <b>Total Liabilities</b>                 |            | <b>17,553,780</b> | <b>17,937,971</b>        |                          |

### Summary of significant accounting policies

The Significant accounting policies and notes on accounts are an integral part of the financial statement.

As per our report of even date attached.

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For Prateek Mines & Minerals Pvt. Ltd.

For K Kejriwal & Co

Chartered Accountants

Firm Registration No. 324555E



K G Kejriwal  
Partner  
Membership No.060699

Date:27th May,2021

Place : Kolkata



Manish Agrawal  
Director  
DIN: 00129240

Puran Mal Agrawal  
Director  
DIN: 00587723

**PRATEEK MINES & MINERALS PRIVATE LIMITED**

Statement of Profit and Loss for the year ended 31st March, 2021

| Particular  | Notes | As at 31st       | As at 31st March |
|---|-------|------------------|------------------|
|   |       | March 2021       | 2020             |
|   |       | ₹                | ₹                |
| <b>INCOME</b>   |       |                  |                  |
| Revenue from operations (gross)   | 13    | 14,578.38        | 177,267          |
| Other Income  |       | 14,578.38        | 177,267          |
| <b>Total (I)</b>  |       |                  |                  |
| <b>EXPENSES</b>   |       |                  |                  |
| Employee benefits expense   | 14    | 146,880          | 130,440          |
| Depreciation and amortization expense   | 15    | 80,646           | 93,702           |
| Other expenses  | 16    | 128,652          | 625,143          |
| <b>Total (II)</b>   |       | <b>356,178</b>   | <b>849,285</b>   |
| <b>Profit before tax</b>  |       | <b>(341,599)</b> | <b>(672,017)</b> |
| <b>Tax Expenses</b>   |       |                  |                  |
| Current Tax   |       | -                | -                |
| Less : MAT Credit Entitlement   |       | -                | -                |
| Deferred Tax  |       | 59,707           | 70,589           |
| <b>Total Tax Expense</b>  |       | <b>59,707</b>    | <b>70,589</b>    |
| <b>Profit/ (Loss) for the year</b>  |       | <b>(401,306)</b> | <b>(742,606)</b> |
| Other Comprehensive Income  |       | -                | -                |
| <b>Total Comprehensive Income</b>   |       | <b>(401,306)</b> | <b>(742,606)</b> |
| <b>Earnings per equity share (nominal value of equity share of ₹ 10/- each)</b> |       |                  |                  |
| <b>Basic (₹)</b>  |       | <b>(4.48)</b>    | <b>(8.30)</b>    |
| <b>Diluted (₹)</b>  |       |                  |                  |

Summary of significant accounting policies

The Significant accounting policies and notes on accounts are an integral part of the financial statement.

As per our report of even date attached.

For K Kejriwal & Co

Chartered Accountants

Firm Registration No. 324555E

*Kejriwal & Co*  
K G Kejriwal  
Partner  
Membership No. 060699



Date: 27th May, 2021

Place : Kolkata

For Prateek Mines & Minerals Pvt. Ltd.

*U.L.*  
Manish Agrawal  
Director  
DIN: 00129240

*Puran Mal Agrawal*

Puran Mal Agrawal  
Director  
DIN: 00587723



|    | Particular  | As at 31st March 2021 |   | As at 31st March 2020 |               |
|----|---|-----------------------|---|-----------------------|---------------|
|    |   | ₹                     | ₹ | ₹                     | ₹             |
| A. | <b>Net Profit before taxes</b>  | (3,41,599)            |   | (6,72,017.30)         |               |
|    | Adjustments for :   |                       |   |                       |               |
|    | Depreciation  | 80,646                |   | 93,701.54             |               |
|    | <b>Operating Profit before working capital changes</b>  | (2,60,954)            |   | (5,78,315.76)         |               |
|    | <b>Movement in Working Capital for:</b>   |                       |   |                       |               |
|    | (Increase)/Decrease in Trade Receivables  | 2,76,670              |   |                       |               |
|    | (Increase)/Decrease in Loans and Advances   | -                     |   | 49,898.56             |               |
|    | Decrease in Other Assets  | -                     |   | -                     |               |
|    | (Increase)/Decrease in Inventories  | -                     |   | -                     |               |
|    | Increase/(Decrease) in Trade Payables   | -                     |   | -                     |               |
|    | Increase/(Decrease) in Other Liabilities  | (12,825)              |   | 1,69,522.20           |               |
|    | Increase/(Decrease) in Provisions   | 29,940                |   | (50,602.00)           |               |
|    | Increase/(Decrease) in Other Assets   | (14,578)              |   | -                     |               |
|    | <b>Cash generated from Operations</b>   | 18,253                |   | (4,09,497.00)         |               |
|    | Direct Taxes Paid   |                       |   |                       |               |
|    | <b>Net Cash generated from Operating Activities</b>   | 18,253                |   |                       | (4,09,497.00) |
| B. | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>  |                       |   |                       |               |
|    | Purchase of property, plant & equipment [including Pre-Operative and Trial Run Expenses (Pending allocation)] |                       |   |                       |               |
|    | Discard of Fixed Assets   |                       |   |                       |               |
|    | Investment in Joint Venture   |                       |   |                       |               |
|    | Purchase of Investments   |                       |   |                       |               |
|    | Sale of Investments   |                       |   |                       |               |
|    | Fixed Deposits (with maturity period of more than three months) matured/(made)                                |                       |   | (13,635.00)           |               |
|    | Interest received on Fixed Deposit  |                       |   |                       |               |
|    | Dividends received  |                       |   |                       |               |
|    | <b>Net cash used in investing activities</b>  |                       |   |                       | (13,635.00)   |
| C. | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>  |                       |   |                       |               |
|    | Proceeds from issue of Equity Share Capital   |                       |   |                       |               |
|    | <b>Net cash generated in financing activities</b>   |                       |   |                       |               |
|    | <b>Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)</b>   | 18,253                |   |                       | (4,23,132.00) |
|    | <b>Cash and Cash equivalents as at the beginning of the year</b>  | 11,88,159             |   |                       | 16,11,291.36  |
|    | <b>Cash and Cash equivalents as at the end of the year</b>  | 12,06,412             |   |                       | 11,88,159.36  |
|    | *   |                       |   |                       |               |
|    | <b>* Components of Cash and Cash equivalents</b>  |                       |   |                       |               |
|    | Cash in hand  | 4,88,221              |   |                       | 4,88,621.36   |
|    | With Scheduled Banks on Current Account   | 7,18,191              |   |                       | 6,99,538.00   |
|    |   | 12,06,412             |   |                       | 11,88,159.36  |

As per our report of even date attached:

For K Kejriwal & Co  
Chartered Accountants  
Firm Registration No. 324555E

K G Kejriwal  
Partner  
Membership No.060699



Date:27th May,2021  
Place : Kolkata

For Prateek Mines & Minerals Pvt. Ltd.

Manish Agrawal  
Director  
DIN: 00129240



Puran Mal Agrawal  
Director  
DIN: 00587723