

# **INDEPENDENT AUDITORS' REPORT**

## **TO THE MEMBERS OF SARDA ENERGY LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **SARDA ENERGY LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, its **Profit** and its Cash Flows for the year ended on that date.

## **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we report that:**
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With Respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the Operating Effectiveness of such controls, refer to our separate report in Annexure B.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - 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 derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred by the Company to the Investor Education and Protection Fund.

**For, BEGANI & BEGANI**  
**CHARTERED ACCOUNTANTS**  
**(FRN : 010779C)**

**DATE : 25.05.2016**  
**PLACE : RAIPUR (C.G.)**

**(VIVEK BEGANI)**  
**PARTNER**  
**M.NO. 403743**

## **SARDA ENERGY LIMITED**

### **Annexure A to Independent Auditor's Report (CARO 2016)**

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained & Informed to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

© As explained & Informed to us, the title deeds of immoveable properties are held in the name of the company.
- (ii) In respect of its inventories:**

a) The Company does not possess any type of inventory during the year under Audit, hence the said clause is not applicable.
- (iii)** The Company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')

  - a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
  - b) No Schedule of repayment of principal and payment of interest has been stipulated.
  - c) No Schedule of repayment of principal and payment of interest has been stipulated and therefore the question of overdue amounts does not arise. Though Company has informed that the reasonable steps have been taken for recovery of the principal and interest.
- (iv)** The Company has not provided any loans, investments, guarantees and security under section 185 and 186 of the Companies Act, 2013.
- (v)** In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. No

order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

- (vi)** According to the information and explanation given to us, the Company has not manufactured or produced any product during the year under Audit, hence the said Clause is not applicable.
- (vii) (a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

**(b)** The company has not disputed payment of any Statutory dues.
- (viii)** According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution or banks.
- (ix)** The Company has not raised any money by way of initial public offer, further public offer and term loans.
- (x)** Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
- (xi)** The Provisions of Section 197 is not applicable to the Company as the Company has not paid any Managerial Remuneration.
- (xii)** The company is not a Nidhi Company hence this clause is not applicable.
- (xiii)** Based upon the audit procedures performed and according to the information and explanations given to us, All transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.

- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
(FRN : 010779C)**

**DATE : 25.05.2016  
PLACE : RAIPUR (C.G.)**

**(VIVEK BEGANI)  
PARTNER  
M.NO. 403743**

# **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 **SARDA ENERGY LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the 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 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 2016, 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, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
(FRN : 010779C)**

**(VIVEK BEGANI)  
PARTNER  
M.NO. 403743**

**DATE : 25.05.2016  
PLACE : RAIPUR (C.G.)**



**SARDA ENERGY LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	7,163,070	9,298,070
	(b) Reserves and surplus	2A	706,471,688	897,606,236
	(c) Money received against share warrants		-	-
<b>2</b>	<b>Share application money pending allotment</b>	-	-	-
<b>3</b>	<b>Non-current liabilities</b>			
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities	3	1,895,090	123,535
	(d) Short-term provisions	4	11,450	11,236
	<b>TOTAL</b>		<b>715,541,298</b>	<b>907,039,077</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets	5		
	(i) Tangible assets		62,976,438	62,993,320
	(ii) Intangible assets		703	1,171
	(b) Non-current investments		278,200,000	-
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	6	85,496,464	83,411,464
	(e) Other non-current assets	7	18,770,748	17,997,295
<b>2</b>	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(c) Trade receivables		-	-
	(d) Cash and cash equivalents	8	49,621	62,242
	(e) Short-term loans and advances	9	270,047,324	742,573,585
	(f) Other current assets		-	-
	<b>TOTAL</b>		<b>715,541,298</b>	<b>907,039,077</b>

Significant accounting Policies

1

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

As per our Report of even date

For, **BEGANI & BEGANI**

Chartered Accountants

FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)

PARTNER

M. No. 403743

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

(K. K. SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

# SARDA ENERGY LIMITED

## Statement of Profit & Loss For the Year ended on 31<sup>st</sup> March 2016

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I</b>	<b>Other Income</b>		-	-
	Interest Income (Gross TDS Rs.53,45,052/-)		53,450,523	59,043,085
<b>II</b>	<b>Total Revenue</b>		<b>53,450,523</b>	<b>59,043,085</b>
<b>III</b>	<b>Expenses :</b>			
	Employee Benefit Cost	11	60,670	-
	Other Expenses	12	2,021,082	119,788,190
<b>IV</b>	<b>Total Expenses</b>		<b>2,081,752</b>	<b>119,788,190</b>
<b>V</b>	<b>Profit (Loss) Before Tax (II-IV)</b>		<b>51,368,772</b>	<b>(60,745,105)</b>
<b>VI</b>	<b>Tax Expenses</b>			
	Current Tax		9,788,319	-
<b>VII</b>	<b>Profit (Loss) For the Period (V-VI)</b>		<b>41,580,452</b>	<b>(60,745,105)</b>
<b>VIII</b>	<b>Earning Per Equity Share:</b>			
	Basic & Diluted		58.05	(65.33)

Significant accounting Policies

1

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

As per our Report of even date

For, **BEGANI & BEGANI**

Chartered Accountants

FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)

PARTNER

M. No. 403743

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

(K. K. SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

**SARDA ENERGY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

*(Amount in Rs.)*

	PARTICULARS	Year ended 31.03.2016 (Rupees)	Year ended 31.03.2015 (Rupees)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Net Profit before tax as per Profit & Loss Account	51,368,772	(60,745,105)
	Adjustment for :		
	Depreciation	17,350	-
	Preliminary Expenses Written off	17,997,295	164,500
	Dividend income	-	-
		18,014,645	164,500
	Operating Profit before Working Capital changes	69,383,417	(60,580,605)
	Adjustment for :		
		-	-
	Cash generated from Operations	69,383,417	(60,580,605)
	Direct Taxes (Net)	(9,788,319)	-
	<b>Net cash from Operating Activities</b>	<b>59,595,097</b>	<b>(60,580,605)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	(Increase)/decrease in Investment	(278,200,000)	
	Sale / Write off of Fixed Assets	-	118,151,912
	Loans & Advances	470,441,261	(56,560,847)
	Current Liabilities	1,771,769	(1,215,699)
	Other non-current assets	(18,770,748)	
	<b>Net Cash used in Investing Activities</b>	<b>175,242,282</b>	<b>60,375,366</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds/(Buy Back) from fresh issue of shares	(2,135,000)	-
	Share Application Money received/(Paid) Allotment	(232,715,000)	-
	<b>Net Cash from financing Activities</b>	<b>(234,850,000)</b>	<b>-</b>
	<b>Net Increase/( decrease) in Cash and Cash equivalents ( A+B+C)</b>	<b>(12,621)</b>	<b>(205,239)</b>
	<b>CASH AND CASH EQUIVALENTS AS AT 01/04/2015</b>	<b>62,242</b>	<b>267,481</b>
	<b>CASH AND CASH EQUIVALENTS AS AT 31/03/2016</b>	<b>49,621</b>	<b>62,242</b>
	<b>Increase/( decrease) in Cash and Cash equivalents</b>	<b>(12,621)</b>	<b>(205,239)</b>

**Notes:**

(a) Cash and cash equivalent include the following :

    Cash on Hand

    Balance with Banks

(b) Figures in brackets represent outflows.

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

(0)

(0)

-

-

49,621

49,621

62,242

62,242

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BEGANI & BEGANI

Chartered Accountants

FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)

PARTNER

M. No. 403743

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

(K. K SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

PLACE : RAIPUR (C.G.)

DATE : 25.05.2016

**AUDITORS' CERTIFICATE**

We have examined the attached Cash flow Statement of M/s Sarda Energy Limited for the year ended 31st March 2016. The statement has been prepared by the Company in agreement with the corresponding Balance Sheet of the company.

PLACE: RAIPUR

DATE : 25.05.2016

FOR, BEGANI & BEGANI

Chartered Accountants

FRN: 010779C

(VIVEK BEGANI)

PARTNER

**SARDA ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH, 2016**

**Note 1: SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of Preparation**

The financial statement of the Company are prepared under the historical cost convention using the accrual method of accounting in accordance with the generally accepted accounting principles in India, mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

**1.2 Use of Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as at the date of financial statement and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**1.3 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**1.4 Fixed Assets**

**Tangibles**

Tangible Assets are stated at cost less accumulated depreciation / amortization and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition/construction of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for commercial use.

**Intangibles**

Intangible assets are carried at its cost less accumulated amortization and impairment losses if any.

**1.5 Depreciation/Amortisation**

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. Intangible Assets are amortized over technically useful life of the asset.

**1.6 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing costs eligible for capitalization is determined in accordance with Accounting Standard 16 (AS 16) on "Borrowing Costs". Other borrowing costs are recognized as pre-operative expenses in the period in which they are incurred.

(Amount in Rs.)

Note 2:	SHARE CAPITAL	As at 31.03.2016	As at 31.03.2015
	<b>Authorised :</b> 10,00,000 (P.Y. 10,00,000) Equity Share of Rs. 10/- each	10,000,000	10,000,000
	<b>Total</b>	10,000,000	10,000,000
	<b>Issued, Subscribed &amp; Paid up Capital:</b> 716307 (P.Y. 929807) Equity Shares of Rs. 10/- each fully paid up	7,163,070	9,298,070
	<b>Total</b>	7,163,070	9,298,070

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :-

Particulars	Equity Shares	As at 31.03.2016	As at 31.03.2015
	Number	Rs.	Rs.
Shares outstanding at the beginning of the year	929807	9,298,070	9,298,070
Shares issued during the year	-	-	-
Shares bought back during the year	213500	2,135,000	-
Shares outstanding at the end of the year	716307	2,135,000	9,298,070

b. All equity shares carry equal voting and distribution rights.

c. All the above equity shares are held by M/s. Sarda Energy & Minerals Ltd., the Holding Company.

d. Details of shareholders holding more than 5 percent of shares in the company:-

(Equity shares of Rs. 10/- each fully paid)	As at 31.03.2016	As at 31.03.2015
Name of Shareholder	M/s. Sarda Energy & Minerals Ltd.	
No. of Shares held	716307	929807
% of Holding	100%	100%

Note 2A:	RESERVES AND SURPLUS	As at 31.03.2016	As at 31.03.2015
	<b>Securities premium account</b>		
	Balance as per last financial statement	958,989,630	958,989,630
	Less- Securities premium debited on share buy back	232,715,000	-
	<b>Total</b>	<b>726,274,630</b>	<b>958,989,630</b>
	<b>Surplus/(Defecit) in the statement of profit and loss</b>		
	Balance as per last financial statement	(61,383,394)	(638,289)
	Less- Transfer to Capital Redemption Reserve	(2,135,000)	-
	Add: Profit / (Loss) during the Year	41,580,452	(60,745,105)
	<b>Total</b>	<b>(21,937,942)</b>	<b>(61,383,394)</b>
	<b>Capital Redemption Reserve</b>	2,135,000	-
	<b>Total</b>	<b>706,471,688</b>	<b>897,606,236</b>

Note 3:	OTHER CURRENT LIABILITIES	As at 31.03.2016	As at 31.03.2015
	I.T. Deducted at Source	148,800	119,040
	Expenses Payable	1,746,290	4,495
	<b>Total</b>	<b>1,895,090</b>	<b>123,535</b>

Note 4:	SHORT TERM PROVISIONS	As at 31.03.2016	As at 31.03.2015
	Audit Fees	11,450	11,236
	<b>Total</b>	<b>11,450</b>	<b>11,236</b>

## SARDA ENERGY LIMITED

Note 5: FIXED ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As on 01.04.2015	Additions/ Adjustments	Transfer	As on 31.03.2016	Up to 01.04.2015	Dep. For the Year	Transfer	As on 31.03.2016	As on 31.03.2016	As on 31.03.2015
<b>TANGIBLE ASSETS</b>										
Freehold land	62,935,466	-	-	62,935,466	-	-	-	-	62,935,466	62,935,466
Furniture & Fixtures	27,920	-	-	27,920	23,598	1,356	-	24,954	2,966	4,322
Vehicles	90,000	-	-	90,000	81,958	1,415	-	83,373	6,627	8,042
Office Equipment	627,567	-	-	627,567	582,077	14,111	-	596,188	31,379	45,490
<b>TOTAL - TANGIBLE ASSETS</b>	<b>63,680,953</b>	<b>-</b>	<b>-</b>	<b>63,680,953</b>	<b>687,633</b>	<b>16,882</b>	<b>-</b>	<b>704,515</b>	<b>62,976,438</b>	<b>62,993,320</b>
Previous Year	63,693,753	-	12,800	63,680,953	516,351	180,033	8,751	687,633	62,993,320	63,177,402
<b>INTANGIBLE ASSETS</b>										
Computer Software (Tally)	16,200	-	-	16,200	15,029	468	-	15,497	703	1,171
<b>TOTAL - INTANGIBLE ASSETS</b>	<b>16,200</b>	<b>-</b>	<b>-</b>	<b>16,200</b>	<b>15,029</b>	<b>468</b>	<b>-</b>	<b>15,497</b>	<b>703</b>	<b>1,171</b>
Previous Year	16,200	-	-	16,200	14,248	781	-	15,029	1,952	3,254

<b>Note 6:</b>	<b>LONG-TERM LOANS &amp; ADVANCES</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	(Unsecured, considered good)		
	Capital Advances	85,482,964	83,397,964
	Security Deposits	13,500	13,500
	<b>Total</b>	<b>85,496,464</b>	<b>83,411,464</b>

<b>Note 7:</b>	<b>OTHER NON-CURRENT ASSETS</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	(Unsecured, considered good)		
	Balance With Tax Authorities	18,770,748	17,997,295
	<b>Total</b>	<b>18,770,748</b>	<b>17,997,295</b>

<b>Note 8:</b>	<b>CASH &amp; CASH EQUIVALENTS</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	Balance with Banks	49,621	62,242
	<b>Total</b>	<b>49,621</b>	<b>62,242</b>

<b>Note 9:</b>	<b>SHORT-TERM LOANS &amp; ADVANCES</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	(Unsecured, considered good)		
	Advance for Expenses	187,208	218,940
	Unsecured Loans to Related Party	269,860,116	742,354,645
	<b>Total</b>	<b>270,047,324</b>	<b>742,573,585</b>

<b>Note 11:</b>	<b>Employee Benefit Expenses</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	Basic Salary Account (Exp)	60,670	-
	<b>Total</b>	<b>60,670</b>	<b>-</b>

<b>Note 12:</b>	<b>OTHER EXPENSES</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
	Audit Fees	11,614	11,236
	Bank Charges	2,988	1,822
	Canteen Expenses	4,340	-
	Conveyance Charges (Exp)	566	-
	Depreciation A/c (Exp)	17,350	-
	Electricity Charges (Exp)	193,500	-
	Filling Expenses	12,205	9,804
	Insurance of Two Wheeler	1,200	1,170
	Legal Expenses (Exp)	10,460	-
	Misc Expenses	680	-
	Printing & stationery	2,317	-
	Postage & Telegrams (Exp)	140	-
	Proff Consultancy for Comm	9,733	-
	Rent Paid	1,703,760	1,337,534
	Repair Maintenance Others (Exp)	4,200	-
	Rep Maint Build Exp	500	-
	Retainership & Consul. (Advocate)	20,786	-
	Travelling Exp (Others) Exp	6,703	-
	Two Wheeler Running & Maint (Exp)	18,040	-
	Pre Operative Expenses W/off	-	118,262,124
	Preliminary Expenses W/off	-	164,500
	<b>Total</b>	<b>2,021,082</b>	<b>119,788,190</b>

**Note 13: ADDITIONAL NOTES TO ACCOUNTS**

- Contingent liability not provided for is Rs. Nil (Previous Year: Rs. Nil).
- The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as on 31st March, 2016 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is Nil (previous year: Nil)
- Value of imports on CIF Basis is Rs. Nil (Previous year: Rs. Nil)
- Expenditure in foreign currency is Rs. Nil (Previous year: Rs. Nil)
- Earnings in foreign currency is Rs. Nil (Previous year: Rs. Nil)

f. In view of uncertainty of Profits in future, no provision of Deferred Tax Assets has been made during the year on brought forward losses as per Income Tax Act.

g. Related Party Transactions:

The details of related parties & nature of relationship are given below:

(i) Name of Related Parties and description of relationship: -

Sl. No.	Description of Relationship	Name of Related Parties
1	Key Managerial Personnel	Mr. K.K. Sarda - Director Mr. P S Dutta Gupta - Director Mr. Pankaj Sarda - Director
2	Holding Company	M/s. Sarda Energy & Minerals Limited
3	Related Enterprises where significant influence exist	M/s. Chhattisgarh Investment Ltd.

(ii) Material Transaction with Related Parties

Particulars	Holding Company	Related Enterprises
Interest Received		53,450,523 (59,043,085)
Advance Given		- (73,262,000)
<b>Outstanding as on 31.03.2016</b>		
Short Term Loans	-	269,860,116 (742,354,645)

Note : Figures in (bracket) represents previous year figures.

h. During the year the Company Bought Back 2,13,500 Equity Shares of Rs.10/- Each at a Premium of Rs.1,090/- Per Share, thereby Totalling to Rs.1,100/- Per Share from Sarda Energy & Minerals Limited (Holding Company). Out of the Total amount of 23,48,50,000/- Rs.21,35,000/- has been reduced from Share Capital & Rs.23,27,15000/- has been reduced from Securities Premium Account. Amount of Rs21,35,000/- which is the Nominal Value of Shares Bought Back has also been transferred to Capital Redemption Reserve from Surplus/Defecit in Profit & Loss Account.

i. Previous year's figures are regrouped and reclassified to confirm to this year's classification, as per schedule of Companies Act,2013.

As per our Report of even date

For, Begani & Begani  
Chartered Accountants  
FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)  
PARTNER  
M. No. 403743  
PLACE : RAIPUR (C.G.)  
DATE : 25.05.2016

(K. K. SARDA)  
DIRECTOR  
DIN 00008170

(PANKAJ SARDA)  
DIRECTOR  
DIN 00008190  
PLACE : RAIPUR (C.G.)  
DATE : 25.05.2016