

BEGANI & BEGANI

CHARTERED ACCOUNTANTS

GSTIN : 22AAEFB9798G1Z6, PAN: AAEFB9798G



N.C.BEGANI M.Com., L.L.B., F.C.A.
SUDIP BACHHAWAT B.Com. (Hons.), F.C.A.
SUMIT BACHHAWAT B.Com. F.C.A.
SANDHYA RAJESH BEGANI B.Com. F.C.A., DISA
DEEPIKA NATHANI B.Com. F.C.A.
MAHAVIR S. JAIN B.Com. F.C.A.
NIKHILESH BEGANI B.Com, F.C.A., DISA
AMIT AGRAWAL B.Com. F.C.A.
ANSHUL BEGANI B.Com. F.C.A.
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INDEPENDENT AUDITORS' REPORT

To

The Members of SARDIA ENERGY LIMITED

Report on the audit of the financial statements

Opinion

We have audited the standalone IND AS financial statements of **SARDIA ENERGY LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, Statement of changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory.

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 profit/loss, Changes in Equity and its Cash Flows 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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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, (changes in equity) 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. 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.

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

Auditor's Responsibilities for the Audit of the IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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.

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

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
- 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
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by
- 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
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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
- (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 the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

BEGANI & BEGANI

CHARTERED ACCOUNTANTS

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- (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 A”.
- (g) 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:
1. The Company does not have any pending litigations which would impact its financial position.
 2. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 3. 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 : 010779 C)

(NIKHILESH BEGANI)
PARTNER
M.NO. 110603
UDIN: 21110603AAAAAD4620

DATE : 15.05.2021
PLACE : RAIPUR (C.G.)

Annexure “A” to the Independent Auditor’s Report*

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of **SARDA ENEGRY LIMITED** of even date)

1.	In respect of the Company’s fixed assets:
(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 program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
(c)	As explained & Informed to us, the title deeds of immoveable properties are held in the name of the company.
2.	The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3.	According to information and explanation given to us, the company has granted unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. a) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company. 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.
4.	In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5.	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

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CHARTERED ACCOUNTANTS

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	Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.				
6.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.				
7.	In respect of statutory dues:				
(a)	According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.				
(b)	However, according to information and explanations given to us, the following dues of have not been deposited by the Company on account of disputes:				
	Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
	Income Tax Act	Income Tax	9,83,060.00	2013-14	Commissioner of Income Tax (Appeals)-II, Raipur
		Income Tax	15,15,190.00	2014-15	Commissioner of Income Tax (Appeals)-II, Raipur
8	In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.				
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.				
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.				
11.	The Provisions of Section 197 is not applicable to the Company as the Company has not paid any Managerial Remuneration.				
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.				

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13.	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.
14	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15	According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16	According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(NIKHILESH BEGANI)
PARTNER
M.NO. 110603
UDIN: 21110603AAAAAD4620

DATE : 15.05.2021
PLACE : RAIPUR (C.G.)

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 31st March 2021 in conjunction with our audit of the 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 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 31st March 2021 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 : 010779 C)

(NIKHILESH BEGANI)
PARTNER
M.NO. 110603
UDIN: 21110603AAAAAD4620

DATE : 15.05.2021
PLACE : RAIPUR (C.G.)

SARDA ENERGY LTD.
BALANCE SHEET AS AT 31ST MARCH 2021

(Amount in Rs.)

Sl No	Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
	ASSETS :			
(1)	Non-current Assets			
(a)	Property, Plant & Equipment		37,276	37,276
(b)	Capital work-in-progress			
(c)	Investment Property	2	6,29,35,466	6,29,35,466
(d)	Other Intangible Assets		-	-
(e)	Financial Assets			
(i)	Investments	3	89,00,66,681	87,81,28,187
(ii)	Other Financial Assets	4	8,53,51,964	8,53,51,964
(f)	Other Non- current Assets	5	13,500	13,500
(g)	Differed Tax Asset (Net)			
			1,03,84,04,887	1,02,64,66,393
(2)	Current Assets			
(a)	Inventories			
(b)	Financial Assets			
(i)	Investments			
(ii)	Trade receivables		2,103	-
(iii)	Bank ,Cash & Cash equivalents	6	9,92,981	6,77,066
(iv)	Loans		-	-
(c)	Other Current Assets	7	1,99,25,834	1,87,08,615
			2,09,20,918	1,93,85,681
	TOTAL ASSETS		1,05,93,25,805	1,04,58,52,074
	EQUITY AND LIABILITIES:			
	Equity			
(a)	Equity Share capital	8	71,63,070	71,63,070
(b)	Other Equity		79,04,11,447	75,46,67,012
	Liabilities			
(1)	Non-current Liabilities :			
	Financial Liabilities			
(i)	Borrowings	9	25,63,17,043	28,10,29,672
			25,63,17,043	28,10,29,672
(2)	Current Liabilities			
(a)	Financial Liabilities			
(i)	Trade Payables	10	20,54,726	4,10,244
(b)	Other current liabilities	11	32,83,430	25,62,076
(c)	Provisions	12	30,000	20,000
(d)	Current tax liabilities (net)		66,089	-
			54,34,245	29,92,320
	TOTAL EQUITY AND LIABILITIES		1,05,93,25,805	1,04,58,52,074

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

(NIKHILESH BEGANI)

PARTNER

M. No. 110603

PLACE : RAIPUR (C.G.)

DATE : 15.05.2021

(K. K. SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

SARDA ENERGY LTD.

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

(Amount in Rs.)

SI No	Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
I.	Revenue from operations	13	14,16,97,361	4,58,63,681
	Revenue from operations (Net)		14,16,97,361	4,58,63,681
II.	Other income	14	7,02,95,152	5,83,74,957
III.	Total Revenue (I + II)		21,19,92,513	10,42,38,638
IV.	Expenses:			
	Purchases of Stock-in -Trade		14,11,86,758	4,57,02,280
	Employee benefits expense	15	61,500	65,558
	Finance costs	16	2,53,04,144	2,55,89,533
	Depreciation and amortization expense		-	-
	Other expenses	17	1,67,203	1,32,449
	Total Expenses		16,67,19,605	7,14,89,820
V.	Profit before Exceptional Items and Tax (III - IV)		4,52,72,908	3,27,48,817
VI.	Exceptional items (Profit Difference of CHPLLP FY 2019-20)		94,62,383	-
VII.	Profit Before Tax (V - VI)		3,58,10,525	3,27,48,817
VIII.	Tax expense:			
	(1) Current tax		66,089	-
	(2) Deferred tax		-	-
IX.	Profit for the period (VII - VIII)		3,57,44,436	3,27,48,817
X.	Total Comprehensive Income for the period		3,57,44,436	3,27,48,817
XI.	Earnings per equity share:			
	Basic & Diluted	18	49.90	45.72

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

(NIKHILESH BEGANI)

PARTNER

M. No. 110603

PLACE : RAIPUR (C.G.)

DATE : 15.05.2021

(K. K. SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

SARDA ENERGY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rs.)

	PARTICULARS	As at 31st Mar, 2021	As at 31st March, 2020
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Profit before tax as per Profit & Loss Account	3,58,10,525	3,27,48,817
	Adjustment for :		
	Depreciation	-	-
	Preliminary Expenses Written off		
	Dividend income		
		-	-
	Operating Profit before Working Capital changes	3,58,10,525	3,27,48,817
	Adjustment for :		
	Inventories	-	-
	Trade and other receivable	(2,103)	-
	Loans and Advances	-	-
	(Increase)/Decrease in Fixed deposits with scheduled banks under lien	-	-
	Trade Payable	-	-
		(2,103)	-
	Cash generated from Operations	3,58,08,422	3,27,48,817
	Direct Taxes (Net)	(66,089)	-
	Net Cash from Operating Activities	3,57,42,333	3,27,48,817
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	(Increase)/decrease in Investment	(1,19,38,494)	(37,81,28,187)
	Sale / Write off of Fixed Assets	-	152
	Loans & Advances	-	6,19,69,436
	Current Liabilities	(2,22,70,704)	28,30,29,469
	Other non-current assets	(12,17,220)	9,80,623
	Net Cash used in Investing Activities	(3,54,26,418)	(3,21,48,507)
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds/(Buy Back) from fresh issue of shares	-	-
	Share Application Money received/(Paid) Allotment	-	-
	Net Cash from financing Activities		-
	Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	3,15,915	6,00,311
	CASH AND CASH EQUIVALENTS AS AT 01/04/2020	6,77,066	76,755
	CASH AND CASH EQUIVALENTS AS AT 31/03/2021	9,92,981	6,77,066
	Increase/(decrease) in Cash and Cash equivalents	3,15,915	6,00,311

Notes:

(a) Cash and cash equivalent include the following :

Cash on Hand
Balance with Banks

	9,92,981	6,77,066
	9,92,981	6,77,066

(b) Figures in brackets represent outflows.

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BEGANI & BEGANI

Chartered Accountants

FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(NIKHILESH BEGANI)

PARTNER

M. No. 110603

PLACE : RAIPUR (C.G.)

DATE : 15.05.2021

(K. K SARDA)

DIRECTOR

DIN 00008170

(PANKAJ SARDA)

DIRECTOR

DIN 00008190

Adjustment entries

(Amount in Rs.)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity Share class A	71,63,070	-	71,63,070
Equity Share class B	-	-	-

(Amount in Rs.)

[illegible]

SARDA ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021

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 Indian Accounting Standard 23 (IND AS 23) on "Borrowing Costs". Other borrowing costs are recognized as pre-operative expenses in the period in which they are incurred.

Significant accounting policies and notes to the accounts

For Financial Year Ended 31.03.21

TANGIBLE ASSETS

Particulars	Gross Block (Cost/Valuation)						Depreciation				Net Block	
	As at 31 March,2020	Additions During the Year	Transfer In Inter Divisional	Transfer Out Inter Divisional	Sales / Adjustments During the Year	As at 31 March, 2021	As at 31 March,2020	Depreciation for the year	On Sales / Adjustments During the Year	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
Furniture & Fixtures & Equipment	49,812	-	-	-	-	49,812	17,037	-	-	17,037	32,775	32,775
Vehicles	8,042.00	-	-	-	-	8,042	3,541	-	-	3,541	4,501	4,501
Total (A)	57854	-	-	-	-	57,854	20,578	-	-	20,578	37,276	37,276
Total (B)	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total [A+B]	57,854	-	-	-	-	57,854	20,578	-	-	20,578	37,276	37,276

Particulars	Gross Block (Cost/Valuation)						Depreciation				Net Block	
	As at 31 March,2020	Additions During the Year	Transfer In Inter Divisional	Transfer Out Inter Divisional	Sales / Adjustments During the Year	As at 31 March, 2021	As at 31 March,2020	Depreciation for the year	On Sales / Adjustments During the Year	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Owned Assets												
Freehold Land	6,29,35,466	-	-	-	-	6,29,35,466	-	-	-	-	6,29,35,466	6,29,35,466
Total (A)	6,29,35,466	-	-	-	-	6,29,35,466	-	-	-	-	6,29,35,466	6,29,35,466

[illegible]

(Amount in Rs.)

Note 3	As at 31st March, 2021	As at 31st March, 2020
NON CURRENT INVESTMENTS - FINANCIAL ASSET		
Investment in Equity Instruments 20,000,000 (P.Y. 20,000,000) Equity Shares of Madhya Bharat Power Corporation Ltd.		
	50,00,00,000	50,00,00,000
Other Investments Investment in LLP (At Cost) Chhattisgarh Hydro Power LLP	39,00,66,682	37,81,28,187
	89,00,66,682	87,81,28,187

Note 4	As at 31st March, 2021	As at 31st March, 2020
Other Financial Assets		
(a) Advances other than capital advances		
Unsecured, considered good		
(i) Other loans and advances	8,53,51,964	8,53,51,964
	8,53,51,964	8,53,51,964

Note 5	As at 31st March, 2021	As at 31st March, 2020
Other Non Current Assets		
(a) Other loans and advances		
Unsecured , considered good		
Other advances	13,500	13,500
	13,500	13,500

Note 6	As at 31st March, 2021	As at 31st March, 2020
Cash & Bank Balance		
Balances with banks		
In current accounts	9,92,981	6,77,066
Cash in hand	-	-
	9,92,981	6,77,066

(Amount in Rs.)

Note 7	As at 31st March, 2021	As at 31st March, 2020
OTHER CURRENT ASSETS		
Advances other than capital advances		
(a) Other Advances		
(i) Advances to vendors	1,86,430	1,86,430
(b) Other Advances		
(i) Balances with tax authorities	1,97,39,405	1,85,22,185
	1,99,25,835	1,87,08,615

SARDA ENERGY LTD.
(Amount in Rs.)

Note 8	As at 31st March 2021		As at 31st March 2020	
	No.	₹	No.	₹
EQUITY SHARE CAPITAL				
<u>Authorised</u>				
a. Equity Shares of ₹ 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
<u>Issued, Subscribed and fully paid up</u>				
Equity Shares of ₹ 10/- each	7,16,307	71,63,070	7,16,307	71,63,070
	7,16,307	71,63,070	7,16,307	71,63,070

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

Particulars	Equity Shares	As at 31st March 2021	As at 31st March 2020
	Number	₹	₹
Shares outstanding at the beginning of the year	716307	71,63,070	71,63,070
Shares issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	716307	71,63,070	71,63,070

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

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

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

		As at 31st March 2021	As at 31st March 2020
(Equity shares of ₹ 10/- each fully paid)			
Name of Shareholder		M/s. Sarda Energy & Minerals Ltd.	
No. of Shares held		7,16,307	7,16,307
% of Holding		100%	100%

(Amount in Rs.)

Note 9	As at 31st March, 2021	As at 31st March, 2020
Financial Liabilities		
Borrowings Other's	25,63,17,043	28,10,29,672
	25,63,17,043	28,10,29,672

Note 10	As at 31st March, 2021	As at 31st March, 2020
Other current liabilities		
(a) Trade Payable	20,54,726	4,10,244
	20,54,726	4,10,244

Note 11	As at 31st March, 2021	As at 31st March, 2020
Other current liabilities		
(a) TDS/GST payables	32,83,430	25,62,076
	32,83,430	25,62,076

Note 12	As at 31st March, 2021	As at 31st March, 2020
Provisions		
Provision for Audit Fee	30,000	20,000
	30,000	20,000

Note 13	As at 31st March, 2021	As at 31st March, 2020
Revenue From operations (Trading)		
Billet Sales	3,41,82,047	3,52,47,258
H B Wire	13,67,597	-
M S Round in Coil	1,10,49,426	-
Silico Manganese	2,28,00,825	46,80,000
Sponge Iron A Grade	1,40,56,089	-
Sponge Iron Fines	5,02,50,911	40,78,569
Sponge Iron Mix Fines	6,55,529	-
Sponge Pellet	73,34,937	18,57,854
	14,16,97,361	4,58,63,681

Note 14	As at 31st March, 2021	As at 31st March, 2020
Other Income		
Interest Income	-	18,300
Share of Profit from CHPLL	7,02,95,152	5,83,56,657
Total	7,02,95,152	5,83,74,957

(Amount in Rs.)

Note 15	As at 31st March, 2021	As at 31st March, 2020
Employee benefit expense		
Salaries, incentives & Managerial Remuneration	61,500	65,558
Total	61,500	65,558

Note 16	As at 31st March, 2021	As at 31st March, 2020
Finance Costs		
Bank Charges	549	1,008
Interest to Other	2,53,03,595	2,55,88,525
Total	2,53,04,144	2,55,89,533

Note 17	As at 31st March, 2021	As at 31st March, 2020
Other Expenses		
Power	5,560	-
Others	3,080	1,805
Travelling & Conveyance expenses	-	-
Legal & Professional Expenses	7,500	-
Licence & Fee(Exp)	-	1,920
Administrative Expenses	1,21,063	1,18,724
Payment to Auditors	30,000	10,000
Total	1,67,203	1,32,449

Note 18	As at 31st March, 2021	As at 31st March, 2020
Earnings per Share (EPS)		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (₹ in Lacs)	3,57,44,436	3,27,48,817
Nominal Value of Equity Shares (₹)	10	10
Weighted average number of Equity Shares used as denominator for calculating basic EPS	7,16,307	7,16,307
Basic & Diluted (₹)	49.90	45.72

Note 19**ADDITIONAL NOTES TO ACCOUNTS**

- a. Contingent liability not provided for is Rs. 24,98,250/- (Previous Year: Rs. 24,98,250), for the Assessment Year 2014-15 & 2015-16 on account of partial disallowances of expenses made by Assessing Office as per order passed under the Income Tax Act, 1961. The company has filed appeal before Commissioner of Income Tax (Appeal) Raipur and the matter is pending.
- b. 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 Mar, 2021 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is Nil (previous year: Nil)
- c. Value of imports on CIF Basis is Rs. Nil (Previous year: Rs. Nil)
- d. Expenditure in foreign currency is Rs. Nil (Previous year: Rs. Nil)
- e. 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
- g. Related Party Transactions:
The details of related parties & nature of relationship are given below:

Sl. No.	Description of Relationship	
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 Ltd.
3	Related Enterprises where significant influence exist	M/s. Chhattisgarh Investment Ltd.
4	Related Enterprises where significant influence exist	M/s Chhattisgarh Hydro Power LLP

(ii) Material Transaction with Related Parties

(Amount in Rs.)

Particulars	Holding Company	Related Enterprises where significant influence exists
Loans received Back (incl. interest accrued & due thereof)	- -	- (6,19,69,436)
Interest Received	- -	- -
Interest Paid	2,53,03,595 (2,55,88,525)	- -
Loan Taken	2,29,100 (25,80,00,000)	- -
Loan Repaid	4,83,47,554 -	- -
Purchases	16,67,19,145 (5,39,28,694)	- -
Investments in LLP	- -	7,02,95,152 (5,83,56,657)
Outstanding as on 31.03.2021		
Receivables	-	-
Payables	25,63,17,043	-

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

- h. 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

(NIKHILESH BEGANI)
PARTNER
M. No. 110603
PLACE : RAIPUR (C.G.)
DATE : 15.05.2021

(K. K. SARDA)
DIRECTOR
DIN 00008170

(PANKAJ SARDA)
DIRECTOR
DIN 00008190