

**Independent Auditor's Report**

To,  
The Members,  
**SAMBHV SPONGE POWER PRIVATE LIMITED,**  
**RAIPUR (C.G.)**

**Report on the Financial Statements :**

**Opinion**

We have audited the Financial Statements of **Sambhv Sponge Power Private Limited** ("the Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss, Statement of Cash Flow 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 explanation 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 March 31, 2021 and profit 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 section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 year. 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.

Reporting of key audit matters as per SA 701 – Key audit matters are not applicable to the unlisted company.

**Other Information**

The Company's Board of Directors is responsible for the other information.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.



Contd..2..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21****Responsibility of Management for 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 Financial Statements that give a true and fair view of 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. 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 controls, 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.

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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.



Contd..3..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in 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 :**

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in the 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 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 appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit & Loss Account 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 at 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 directors 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) 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, in our opinion and to the best of our information and according to the explanations given to us:



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

- i) The Company does not have any pending litigations which would materially 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 required to be transferred by the Company to the Investor Education and Protection Fund.

PLACE: RAIPUR  
DATED: 19.06.2021

For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C



*Rajesh*

(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675

UDIN - 21405675AAAAIB5560

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**  
**Report under the companies (Auditor's Report) Order, 2016 (CARO 2016)**

**The Annexure-A to the Independent Auditor's Report**

**We report that:**

- i. In respect of its Property, plant & Equipments:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant & Equipments on the basis of available information.
  - b) As explained to us, all the Property, plant & Equipments have been physically verified by the management in a phased periodical manner, which in our opinion seems to be reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as confirmed by the management.
  - c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
- ii. As explained to us, inventories of finished and semi-finished goods and raw materials were physically verified during the year by the management. In our opinion and according to the information and explanations given to us, the inventories have been verified by the management at reasonable intervals in relation to the size of the company and nature of business and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provision of clause (iii)(a) to (iii)(c) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, the company has not given any Loans or provided Guarantee or Security nor has made Investment under the provisions of section 185 and 186 of the Companies Act, 2013 and has complied the same.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public in terms of directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act & rules framed there under. Therefore the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to rules made by the Central Government for maintenance of Cost Records under the Company Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detail examination of the records with a view to determine whether they are accurate and complete.
- vii. In respect of statutory dues:
  - a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed Statutory dues including Income Tax, Wealth Tax, Goods and Service Tax and other material statutory dues have been generally regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues outstanding as on 31<sup>st</sup> March 2021 for a period of more than six month from the date they become payable.



Contd..2..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

- b) According to the information and explanation given to us and the records of the company as examined by us there are no dues of Income Tax, Wealth Tax, Goods and Service Tax which have not been deposited as on account of disputes.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, Banks, Government and Debenture holders.
- ix. According to the information and explanations given to us, the company has not raised money by way of Initial Public Offer or Further Public Offer (including Debt Instruments). Accordingly, the provisions of clause (ix) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company is a private limited company and section 197 read with schedule V to the Companies Act is not applicable to private companies. Therefore, the provisions of Clause (xi) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- xii. In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- xiii. The transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and details have been disclosed in the financial statements etc, as required by the applicable accounting standards.
- xiv. During the year under review, the company has not made any private placement of shares or fully or partly convertible Debentures. Accordingly, the provisions of clause (xiv) of the paragraph 3 of the CARO 2016 are not applicable to the company.
- xv. The Company has not entered into any non-cash transaction with Directors or persons connected within as per the provisions of Section 192 of the Companies Act, 2013. Accordingly, the provisions of clause (xv) of the paragraph 3 of the CARO 2016 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause (xvi) of the paragraph 3 of the CARO 2016 are not applicable to the Company.

PLACE : RAIPUR  
DATED : 19.06.2021



For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C

*RJC*

(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675

**ANNEXURE – B to the Independent Auditor’s Report**

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“The Act”)**

We have audited the Internal Financial Controls over Financial Reporting of **SAMBHV SPONGE POWER PRIVATE LIMITED**, RAIPUR (“The Company”) as of 31st March, 2021, 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 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 Company’s Act, 2013.

**Auditor’s 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 of Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Company’s Act, 2013, to the extent applicable to an audit of Internal Financial Control, 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 aspects.

Our audit involved 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 assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risk 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 systems over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal 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, is reasonably detailed, accurately and fairly reflect the transactions and disposition 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial control 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 control over financial reporting to the 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 control system over financial reporting and such internal financial control 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 the internal control stated in Guidance Note on Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : RAIPUR  
DATED : 19.06.2021



For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C

(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675



**SAMBHV SPONGE POWER PRIVATE LIMITED**

**BALANCE SHEET AS AT 31st March, 2021**

|  | Notes | Amount in ₹              |                          |
|--|-------|--------------------------|--------------------------|
|  |       | As at<br>31st March 2021 | As at<br>31st March 2020 |
| <b>I. EQUITY AND LIABILITIES</b>             |       |                          |                          |
| 1. <u>Shareholder's Funds</u>                |       |                          |                          |
| (a) Share Capital                            | 2.01  | 20,09,03,000.00          | 20,09,03,000.00          |
| (b) Reserves and Surplus                     | 2.02  | 57,84,90,657.82          | 24,76,45,746.35          |
| 2. <u>Non-Current Liabilities</u>            |       |                          |                          |
| (a) Long-Term Borrowings                     | 2.03  | 1,17,10,16,590.51        | 87,96,95,644.08          |
| (b) Deferred Tax Liability                   | 2.04  | 5,32,05,905.00           | 3,03,24,888.00           |
| 3. <u>Current Liabilities</u>                |       |                          |                          |
| (a) Short-Term Borrowings                    | 2.05  | 23,99,02,964.68          | 31,91,20,027.47          |
| (b) Trade Payables                           | 2.06  | 19,76,01,565.91          | 24,95,96,438.50          |
| (c) Other Current Liabilities                | 2.07  | 26,20,47,933.26          | 11,53,72,272.37          |
| <b>TOTAL (1 to 3) :</b>                      | ₹     | <b>2,70,31,68,617.18</b> | <b>2,04,26,58,016.77</b> |
| <b>II. ASSETS</b>                            |       |                          |                          |
| 1. <u>Non-Current Assets</u>                 |       |                          |                          |
| (a) <u>Property, Plant &amp; Equipment</u> : | 2.08  |                          |                          |
| - (i) Tangible Assets                        |       | 1,13,79,86,769.48        | 1,12,01,44,532.49        |
| - (ii) Intangible Assets                     |       | 21,51,085.00             | 25,25,434.00             |
| - (iii) Work-in-progress                     |       | 59,62,78,344.01          | 4,73,76,404.90           |
| (b) Long Term Loan & Advances                | 2.09  | 3,16,31,128.00           | 89,17,528.00             |
| 2. <u>Current Assets</u>                     |       |                          |                          |
| (a) Inventories                              | 2.10  | 35,47,84,655.42          | 42,09,97,236.69          |
| (b) Trade Receivables and Others             | 2.11  | 7,62,95,015.40           | 12,87,74,268.32          |
| (c) Cash and Cash Equivalents                | 2.12  | 7,08,23,999.09           | 5,78,04,511.23           |
| (d) Short-Term Loans and Advances            | 2.13  | 43,32,17,620.78          | 25,61,18,101.14          |
| <b>TOTAL (1 to 2) :</b>                      | ₹     | <b>2,70,31,68,617.18</b> | <b>2,04,26,58,016.77</b> |

**III. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS** 1 & 2

For and on behalf of Board

*Sg.*  
(Suresh Kumar Goyal)  
Director  
DIN - 00318141

*15/06/21*  
(Vikash Kumar Goyal)  
Director  
DIN - 00318182

AS PER OUR REPORT OF EVEN DATE,  
For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C



*Rbe*  
(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675

PLACE : RAIPUR  
DATED: 19.06.2021

**SAMBHV SPONGE POWER PRIVATE LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021**

|  |   | Amount in ₹                           |                                       |                          |
|--|---|---------------------------------------|---------------------------------------|--------------------------|
|  | Notes   | For the year ended<br>31st March 2021 | For the year ended<br>31st March 2020 |                          |
| <b>I. INCOME :</b>   |   |                                       |                                       |                          |
| -  | Revenue from Operations   | 2.14                                  | 4,79,04,55,750.45                     | 2,43,40,81,751.00        |
| -  | Other Income  | 2.15                                  | 1,11,37,474.55                        | 31,52,412.16             |
|  | <b>Total Revenue ( I ) :</b>  | ₹                                     | <b>4,80,15,93,225.00</b>              | <b>2,43,72,34,163.16</b> |
| <b>II. EXPENSES :</b>  |   |                                       |                                       |                          |
| -  | Cost of Raw Materials & Stores Consumed                             | 2.16                                  | 3,74,30,01,531.56                     | 2,00,90,83,331.49        |
| -  | Purchase of Trading Goods   | 2.17                                  | 12,14,20,607.90                       | 26,77,739.80             |
| -  | (Increase) / Decrease in inventories of Finished Goods              | 2.18                                  | 2,57,29,836.76                        | (4,81,98,269.40)         |
| -  | Employee Benefits Expense   | 2.19                                  | 13,53,80,485.84                       | 7,85,51,405.94           |
| -  | Other Expenses  | 2.20                                  | 12,91,04,781.34                       | 13,95,82,863.80          |
| -  | Financial Costs   | 2.21                                  | 14,94,50,838.13                       | 9,05,07,931.00           |
| -  | Depreciation and Amortization Expense                               | 2.08                                  | 6,00,75,721.00                        | 3,69,72,609.00           |
|  | <b>Total Expenses ( II ) :</b>                                      | ₹                                     | <b>4,36,41,63,802.53</b>              | <b>2,30,91,77,611.63</b> |
| <b>III. Profit Before Excep. &amp; Extra ordinary items &amp; Tax (I-II)</b> |   |                                       | <b>43,74,29,422.47</b>                | <b>12,80,56,551.53</b>   |
| <b>IV. Exceptional Items</b>   |   |                                       | -                                     | 3,07,89,256.00           |
| <b>V. Profit Before Extra Ordinary items &amp; Tax (III-IV)</b>              |   |                                       | <b>43,74,29,422.47</b>                | <b>15,88,45,807.53</b>   |
| <b>VI. Extraordinary Items</b>   |   |                                       | -                                     | -                        |
| <b>VII. Profit Before Tax (V-IV)</b>   |   |                                       | <b>43,74,29,422.47</b>                | <b>15,88,45,807.53</b>   |
| <b>VIII. Tax Expenses:</b>   |   |                                       |                                       |                          |
| (1)  | Deferred Tax Liabilities/(Assets)                                   | 2.04                                  | 2,28,81,017.00                        | 2,32,41,816.00           |
| (2)  | Current Tax (Income Tax & Surcharge)                                | 2.07                                  | 8,29,86,449.00                        | 1,57,99,385.00           |
| (3)  | Tax related to earlier years  |                                       | 7,17,045.00                           | 7,95,163.00              |
|  |   | ₹                                     | <b>33,08,44,911.47</b>                | <b>11,90,09,443.53</b>   |
| <b>IX. Profit for the period (VII - VIII)</b>                                |   |                                       |                                       |                          |
| <b>X. Earning per Equity Share:</b>  |   |                                       |                                       |                          |
|  | Basic & Diluted   |                                       | 16.47                                 | 6.02                     |
|  | Weighted Average number of Equity Shares (Face value of ` 10/-each) |                                       | 2,00,90,300                           | 1,97,59,041              |
| <b>XI. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>             |   |                                       |                                       |                          |
|  |   |                                       | 1 & 2                                 |                          |

For and on behalf of Board

(Suresh Kumar Goyal)  
Director  
DIN - 00318141

(Vikash Kumar Goyal)  
Director  
DIN - 00318182

PLACE : RAIPUR  
DATED: 19.06.2021

AS PER OUR REPORT OF EVEN DATE,  
For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C



(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675

**SAMBHV SPONGE POWER PRIVATE LIMITED****Cash Flow Statement For the Financial year ended on 31.03.2021**

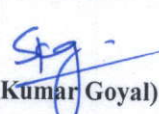
Amount in ₹

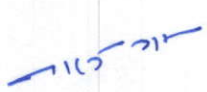
|   | As at<br>31st March 2021 | As at<br>31st March 2020 |
|---|--------------------------|--------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                          |                          |
| 1 Net Profit Before Taxation                                  | 437,429,422.47           | 158,845,807.53           |
| 2 Extra ordinary items credited in Profit/Loss Statement      | -                        | (30,789,256.00)          |
| 3 Net Cash before Tax & Extraordinary Items                   | 437,429,422.47           | 128,056,551.53           |
| 4 Adjustment for  |                          |                          |
| - Depreciation  | 60,075,721.00            | 36,972,609.00            |
| - Financial Charges   | 149,450,838.13           | 90,507,931.00            |
| 5 Operating Profit before working capital changes (1 + 2)     | 646,955,981.60           | 255,537,091.53           |
| 6 Changes in working capital (excluding Cash & Bank Balance)  |                          |                          |
| - Decrease / (Increase) in Stock                              | 66,212,581.27            | (228,469,556.74)         |
| - Decrease / (Increase) in Debtors                            | 52,479,252.92            | (90,741,699.52)          |
| - Decrease / (Increase) in Current Loans & Advances           | (257,394,650.29)         | (130,751,863.48)         |
| - Increase / (Decrease) in Current Liabilities                | 94,680,788.30            | 200,394,790.44           |
| 7 Cash generated from operations (3 + 4)                      | 602,933,953.80           | 5,968,762.23             |
| 8 Income tax (Paid) / Refund                                  | (83,703,494.00)          | (16,594,548.00)          |
| 9 Cash Flow before Extraordinary Items                        | 519,230,459.80           | (10,625,785.77)          |
| <b>NET CASH FROM OPERATING ACTIVITIES (5 + 6)</b>             | <b>519,230,459.80</b>    | <b>(10,625,785.77)</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                 |                          |                          |
| - Increase in Fixed Assets                                    | (77,543,608.99)          | (743,326,855.18)         |
| - Decrease/( Increase) in Capital W.I.P                       | (548,901,939.11)         | 268,434,086.55           |
| - Advance to Suppliers for Capital Goods                      | 57,581,530.65            | 25,348,861.82            |
| <b>NET CASH FROM INVESTING ACTIVITY</b>                       | <b>(568,864,017.45)</b>  | <b>(449,543,906.81)</b>  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                          |                          |
| - Proceeds from issuance of Share Capital                     | -                        | 30,000,000.00            |
| - Increase / (Decrease) in Secured Long Term Loan             | 255,706,706.43           | 431,734,339.08           |
| - Increase / (Decrease) in Unsecured Loan                     | 35,614,240.00            | (64,689,138.00)          |
| - Increase / (Decrease) in Cash Credit Loan                   | (79,217,062.79)          | 197,104,695.98           |
| - Financial Charges paid                                      | (149,450,838.13)         | (90,507,931.00)          |
| <b>NET CASH FROM FINANCING ACTIVITY</b>                       | <b>62,653,045.51</b>     | <b>503,641,966.06</b>    |
| <b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A + B + C)</b> | <b>13,019,487.86</b>     | <b>43,472,273.48</b>     |
| Cash & Cash Equivalent at the beginning of period             | 57,804,511.23            | 14,332,237.75            |
| <b>CASH &amp; CASH EQUIVALENT AT END OF PERIOD</b>            | <b>70,823,999.09</b>     | <b>57,804,511.23</b>     |
| - Cash in hand  | 944,857.68               | 1,195,390.98             |
| - Balance with Schedule Bank in Current Account               | 69,879,141.41            | 56,609,120.25            |
| <b>Total Cash &amp; Cash Equivalent</b>                       | <b>70,823,999.09</b>     | <b>57,804,511.23</b>     |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1&amp;2

For and on behalf of Board

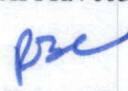
  
(Suresh Kumar Goyal)  
Director  
DIN - 00318141

  
(Vikash Kumar Goyal)  
Director  
DIN - 00318182

PLACE : RAIPUR  
DATED: 19.06.2021

AS PER OUR REPORT OF EVEN DATE,  
For, A D B & Company  
Chartered Accountants,  
ICAI FRN 005593C



  
(Rajesh Kumar Chawda)  
Partner  
Mem. No. 405675

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Corporate Information**

**Sambhv Sponge Power Private Limited** (the "Company") is a private Company domiciled in India and duly incorporated on 24.04.2017 under the provisions of the Companies Act, 2013. The company is engaged in Manufacturing of Sponge Iron and Billets and generation of Power.

**1. Significant Accounting Policies**

**1.01 Basis of Preparation :**

- a) The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.
- b) Revenue/Income and Cost/Expenditure are generally accounted on accrual basis as they are earned or incurred under the mercantile system of accounting.

**1.02 Use of Estimates :**

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affects the reported amount of assets and liabilities and disclosures relating to Contingent Liabilities as the date of the financial statements and the reported amount of revenues and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes of the financial statements.

**1.03 Revenue Recognition :**

Revenue is primarily derived from Sale of Goods and Interest from Deposits and are recognized when services are rendered and related cost incurred.

Revenues are reported net of discounts.

Revenues from the sale of goods are recognised upon delivery, which is when title passes to the customer.

**1.04 Property, Plant and Equipments & Depreciation :**

- a) Property, Plant and Equipments are stated at cost, less accumulated depreciation / amortization. Costs include all expenses incurred to bring the assets to its present location and condition.
- b) Depreciation on Property, Plant and Equipments is charged on Straight Line method on a pro rata basis at the rate Specified in Schedule II to the Companies Act, 2013 from current year which is changed from Written Down Value method charged previously. Depreciation on such assets has not been charged which are not put to use.

**1.05 Inventories :**

- a) Inventories are valued cost and Net Realizable Value whichever is lower (on FIFO basis).
- b) Finished Goods – Cost of finished goods includes direct materials, labour, proportion of manufacturing overheads and other cost including taxes incurred in bringing the inventories to their present location and condition.

**1.06 Cash and cash Equivalents :**

The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.



Contd...2...

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

**1.07 Borrowing Cost :**

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

**1.08 Impairment of Assets :**

On date of Balance Sheet, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risk specific to the asset.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

**1.09 Employee Benefits :**

- I. Short term employee benefits are charged off at the undiscounted amount in the year in which the related service rendered.
- II. Post employment and other long-term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long-term benefits are charged to Profit & Loss Account/Project Development Expenditure Account.

**1.10 Provision, Contingent Liabilities and Contingent Assets :**

Provision involving substantial degree of estimation in measurement is recognized when there is present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

**1.11 Provision of Current and Deferred Tax :**

Provision of current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax is accounted for by computing the tax effect of timing differences which arises during the year. Deferred Tax Liability is calculated by applying Tax rate and Tax Laws that have been enacted by the Balance Sheet date. Deferred Tax Liability has arisen mainly on account of Depreciation under Tax Laws.

**1.12 Earnings per Share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

| Notes to the Financial statements  |                        | Amount in ₹            |                        |                     |
|--|------------------------|------------------------|------------------------|---------------------|
| Particulars  | Current Year           | Previous year          |                        |                     |
| <b>2.01 SHARE CAPITAL</b>  |                        |                        |                        |                     |
| <b>Authorised Capital :</b><br>2,50,00,000 Equity Shares of Rs. 10/- each<br>(Previous Year 2,50,00,000 Equity shares @ ₹ 10/- each)   | <b>25,00,00,000.00</b> | <b>25,00,00,000.00</b> |                        |                     |
| <b>Issued, Subscribed &amp; Paid up Capital :</b><br>2,00,90,300 Equity Shares of Rs. 10/- each fully paid up<br>(Previous Year 2,00,90,300 Equity shares @ ₹ 10/- each)   | 20,09,03,000.00        | 20,09,03,000.00        |                        |                     |
|  | <b>20,09,03,000.00</b> | <b>20,09,03,000.00</b> |                        |                     |
| <b>a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>   |                        |                        |                        |                     |
| Particulars  | Current Year           |                        | Previous year          |                     |
|  | No. of shares          | Amount in ₹            | No. of shares          | Amount in ₹         |
| Outstanding at the beginning of the period   | 2,00,90,300            | 20,09,03,000           | 1,95,90,300            | 19,59,03,000        |
| Issued during the period   | -                      | -                      | 5,00,000               | 50,00,000           |
| Outstanding at the end of the period   | <b>2,00,90,300</b>     | <b>20,09,03,000</b>    | <b>2,00,90,300</b>     | <b>20,09,03,000</b> |
| <b>b) Terms/rights attached to equity shares</b>   |                        |                        |                        |                     |
| The company has only one class of equity shares having at par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.  |                        |                        |                        |                     |
| In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders |                        |                        |                        |                     |
| <b>c) Details of shareholders holding more than 5% shares in the company.</b>  |                        |                        |                        |                     |
| Particulars  | Current Year           |                        | Previous year          |                     |
|  | No. of shares          | % holding              | No. of shares          | % holding           |
| M/s Ganpati Sponge Iron Pvt. Ltd.  | 33,33,300              | 16.59                  | 33,33,300              | 16.59               |
| Shri. Brijlal Goyal  | 25,26,500              | 12.58                  | 25,26,500              | 12.58               |
| Shri Suresh Kumar Goyal  | 23,96,000              | 11.93                  | 23,96,000              | 11.93               |
| Shri Vikas Kumar Goyal   | 15,16,900              | 7.55                   | 15,16,900              | 7.55                |
| Shri Ashish Goyal  | 21,81,000              | 10.86                  | 21,81,000              | 10.86               |
| Smt. Kaushalya Devi Goyal  | 21,60,000              | 10.75                  | 21,60,000              | 10.75               |
| Smt. Suman Goyal   | 22,70,000              | 11.30                  | 22,70,000              | 11.30               |
| Particulars  |                        | Current Year           | Previous year          |                     |
| <b>2.02 RESERVE &amp; SURPLUS</b>  |                        |                        |                        |                     |
| <b>Surplus /(deficit) in the statement of profit and loss</b>  |                        |                        |                        |                     |
| Opening Balance at the beginning of the year   |                        | 18,09,80,746.35        | 6,19,71,302.82         |                     |
| Net Profit for the current year  |                        | 33,08,44,911.47        | 11,90,09,443.53        |                     |
| <b>Net Surplus in the statement of Profit and Loss Account (A)</b>   |                        | <b>51,18,25,657.82</b> | <b>18,09,80,746.35</b> |                     |
| <b>Securities Premium Account</b>  |                        |                        |                        |                     |
| Opening Balance at the beginning of the year   |                        | 6,66,65,000.00         | 4,16,65,000.00         |                     |
| Received During the year   |                        | -                      | 2,50,00,000.00         |                     |
| <b>Total Securities Premium (B)</b>  |                        | <b>6,66,65,000.00</b>  | <b>6,66,65,000.00</b>  |                     |
| <b>Net surplus in the statement of profit and loss (A+B)</b>   |                        | <b>57,84,90,657.82</b> | <b>24,76,45,746.35</b> |                     |



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

Notes to the Financial statements

Amount in ₹

| Particulars  | Current Year             | Previous year          |
|--|--------------------------|------------------------|
| <b>2.03 LONG TERM BORROWINGS</b>   |                          |                        |
| <b>- Loan &amp; Advances (Secured)</b>   |                          |                        |
| <b>-From Bank</b>  |                          |                        |
| - Term Loan from Bank of Baroda  | 9,52,16,584.01           | 6,14,40,000.00         |
| - Term Loan from Union Bank of India   | 4,35,07,500.01           | 3,45,60,000.00         |
| - Term Loan from HDFC Bank   | 72,87,00,000.01          | 52,92,00,000.01        |
| - Vehicle Loan From Punjab National Bank   | 8,39,491.96              | 17,63,620.97           |
| - Vehicle Loan From HDFC Bank Limited  | 1,39,84,249.51           | 41,56,150.10           |
| - Vehicle Loan From Kotak Mahindra Bank  | 5,77,974.00              | 8,68,007.00            |
| - Vehicle Loan From ICICI BANK   | 11,848.01                | 12,22,233.00           |
| - Vehicle Loan From Union Bank of India  | 60,79,070.00             | -                      |
| <b>(A)</b>   | <b>88,89,16,717.51</b>   | <b>63,32,10,011.08</b> |
| <b>- Loan &amp; Advances (Unsecured)</b>   |                          |                        |
| <b>-From Corporate/Directors and relatives</b>   |                          |                        |
| - From Directors   | 4,08,54,652.00           | 5,57,68,551.00         |
| - From Shareholders  | 13,15,41,187.00          | 10,72,12,674.00        |
| - From Corporates  | 6,77,33,946.00           | 5,65,02,129.00         |
| - From Relatives of Directors  | 4,19,70,088.00           | 2,70,02,279.00         |
| <b>(B)</b>   | <b>28,20,99,873.00</b>   | <b>24,64,85,633.00</b> |
| <b><u>The above amount includes</u></b>  |                          |                        |
| - Secured Borrowings   | 88,89,16,717.51          | 63,32,10,011.08        |
| - Unsecured Borrowings   | 28,20,99,873.00          | 24,64,85,633.00        |
| <b>(A+B)</b>   | <b>1,17,10,16,590.51</b> | <b>87,96,95,644.08</b> |
| a) <b>Term Loan - from Bank of Baroda</b> which carries interest (one year MCLR+Strategic Premium + 3%) i.e @11.90% p.a with monthly rest. The loan is repayable in 72 Monthly instalments under ballooning method. Its moratorium period is for 12 months from 08.09.2017. The loan is secured by hypothecation of Plant & Machinery & Equitable mortgage of freehold diverted Industrial Factory Land & Factory Building and negative lien on the undiverted land besides the diverted factory land at village Sarona, Tahsil- Tilda, Dist-Raipur and personal guarantee of Directors under Consortium with Union Bank of India and collateral security as per foot note to Note. No. 2.05 of C/C A/c.   |                          |                        |
| b) <b>Term Loan - from Union Bank of India</b> carries interest (MCLR1Y+ 4.40% + 0.50% ) The loan is repayable in 72 Monthly instalments along with interest with a moratrum of 12 months. First installment to fall due on 31.10.2018. This loan with Pari Passu Charge on Plant & Machinery, Factory Land & Building, other fixed assets purchased out of Bank Finance and negative lien on the undiverted land besides the diverted factory land at village Sarona, Tahsil- Tilda, Dist-Raipur and personal guarantee of Directors under Consortium with Bank of Baroda and collateral security as per foot note to Note. No. 2.05 of C/C A/c.  |                          |                        |
| c) <b>Term Loan - from HDFC Bank Limited</b> carries interest (As per Mutual Agreement ) The loan is repayable in 66 Monthly instalments along with interest. The loan is secured by Exclusive charge over Plot No. A-31 situated at Wallfort City, Ward No.-63, Shyama Mukherjee Ward, Raipur in the name of Shri Ashish Goyal & Smt. Archana Goyal, Plot No. A-31, 4000 SQ. FT valuing Rs. 346.46 lacs as per valuation report of Satish Bhawani. Exlusive charge over open land situated at plot No. A-43, A-44, A-45, A-46 Sector-11A, Nagar Vikas Yojana, Kamal Vihar, Dunda, Raipur in the name of Acecon Estate India Private Limited, Plot No. A-43, A-44, A-45, A-46 2845.20 SQ Mtr.Exclusive charge over Santishi Nagar Tikrapars Ph. No. 114 Raipur in individual names in the name of Shri Brijlal Goyal, Smt. Kaushalya Devi goyal, Shri Suresh Kumar Goyal, Shri Manoj Kumar Goyal, Shri Vikas Kumar Goyal. Shri Ashish Goyal Kh. No. 556/3 & 556/5. Exclusive charge over Open Land at Tikrapara Ph. No. 114 Kh No. 427/2, 427/13 Rabindranath Tagore Ward No. 51 in the name of Shri Suresh Kumar Goyal, Shri Ashish Goyal. First and exclusive charge over the proposed Plant & Machinery, factory building and shed of 3rd Sponge Iron Kiln Induction Furnace with CCM Financed by HDFC Bank and PP Charges over the other fixed assets of the coy. Second Pari Passu charge by way of Hypothication of Stocks, Book Debts and other current assets of the Company and personal guarantee of the directors and relatives.. |                          |                        |
| d) <b>Term Loan - from ICICI Bank-</b> for purchase of Loader carries interest @9.71%. The loan shall be repayable in 35 Monthly instalments along with interest, the loan is secured by hypotication of Loader and personal gurantee of Directors.  |                          |                        |
| e) <b>Vehicle Loan - from Punjab National Bank</b> for purchase of New BMW 630d GT, Luxury Line carries interest (MCLR+0.60% I.E 8.45% + 0.60% + 9.05%). The loan shall be repayable in 36 Monthly instalments along with interest, the loan is secured by hypotication of BMW Car by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.   |                          |                        |
| f) <b>Vehicle Loan - from HDFC Bank</b> for purchase of Used Heavy Vehicles carries interest @9.71%. The loan shall be repayable in 38 Monthly instalments along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.   |                          |                        |



Contd...5...

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

**Notes to the Financial statements**

Amount in ₹

- g) **Vehicle Loan** - from Kotak Mahindra Bank for purchase of TATA LP 1112 Vehicle carries interest @9.50%. The loan shall be repayable in 47 Monthly instalments along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.
- h) **Vehicle Loan** - from Kotak Mahindra Bank for purchase of TATA LP 1112 Vehicle carries interest @9.50%. The loan shall be repayable in 47 Monthly instalments along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.
- i) **Vehicle Loan** - from Union Bank of India for purchase of BMW 530 DM Sports car under Union Mile Scheme Vehicle carries interest @7.40% p.a. The loan shall be repayable in 36 Equated Monthly instalments of Rs. 1,86,361/- along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the Directors.

**2.04 DEFERRED TAX LIABILITY**

| Particulars  | Opening Balances                         | For the Year                               | Closing Balance                            |
|--|--|--|--|
| Deferred Tax Liability<br>Relating To Depreciation         | 3,03,24,888<br>(70,83,072)               | 2,28,81,017<br>(2,32,41,816)               | 5,32,05,905<br>(3,03,24,888)               |
| Deferred Tax Assets<br>Relating to Unabsorbed Depreciation | -<br>-                                   | -<br>-                                     | -<br>-                                     |
| <b>Net Tax Effect On Timing Difference</b>                 | <b>3,03,24,888</b><br><b>(70,83,072)</b> | <b>2,28,81,017</b><br><b>(2,32,41,816)</b> | <b>5,32,05,905</b><br><b>(3,03,24,888)</b> |

Figures in ( ) denotes the previous year figures

| Particulars                                  | Current Year           | Previous year          |
|--|------------------------|------------------------|
| <b>2.05 SHORT TERM BORROWINGS</b>            |                        |                        |
| - Cash Credit Limit from Bank Of Baroda      | 14,44,75,888.17        | 26,14,85,263.78        |
| - Cash Credit Limit from Union Bank Of India | 4,54,27,076.51         | 5,76,34,763.69         |
| - WCTL from HDFC Bank                        | 5,00,00,000.00         | -                      |
| <b>TOTAL :</b>                               | <b>23,99,02,964.68</b> | <b>31,91,20,027.47</b> |

**Cash Credit** : from **Bank of Baroda** is secured by way of hypothecation of Stocks and Book Debts and collateral security of Equitable Mortgage of residential plot at Kmal Vihar Plot No. A-137 to A-141. A-141 A at part of Kh. No. 205, 211 admeasuring total area of 2796.50 sq. Mt. situated at Sector 11A, RDA Scheme No. 04, Village-Dunda, P.H. No. 118/51, RIC Raipur-1, Tehsil & Dist. Raipur standing in the name of Mr. Ashish Goyal S/o Mr. Brijlal Goyal. Equitable Mortgage of commercially diverted land bearing Khasra Number 210/7 and Khasra No. 210/13 admeasuring total area of 0.258 Hectare and 0.123 Hectare respectively situated at village Dumartarai P.C No. 115/52, R.I.C Raipur-1, Tehsil and Dist. Raipur (C.G) standing in the name of M/s S. Pyare Lal Ispat Pvt. Ltd. and personal guarantee of Directors and their relatives and Corporate Gurantee of M/s S. Pyarelal Ispat Private Limited. The cash credit is repayable on demand and carries interest (One year MCLR+Strategi Premium+ 3.00% i.e 11.90% p.a with monthly rest.

**Cash Credit** : from **Union Bank of India** is secured by Pari Passu charge on Stock, Book Debts and other Current Assets of the Company & collateral security of Equitable Mortgage of residential plot at Kmal Vihar Plot No. A-137 to A-141. A-141 A at part of Kh. No. 205, 211 admeasuring total area of 2796.50 sq. Mt. situated at Sector 11A, RDA Scheme No. 04, Village-Dunda, P.H. No. 118/51, RIC Raipur-1, Tehsil & Dist. Raipur standing in the name of Mr. Ashish Goyal S/o Mr. Brijlal Goyal. Equitable Mortgage of commercially diverted land bearing Khasra Number 210/7 and Khasra No. 210/13 admeasuring total area of 0.258 Hectare and 0.123 Hectare respectively situated at village Dumartarai P.C No. 115/52, R.I.C Raipur-1, Tehsil and Dist. Raipur (C.G) standing in the name of M/s S. Pyare Lal Ispat Pvt. Ltd. Negative lien on 15.094 Hect undiverted part of Land at Kh. No. 726, 727/2,727/3, 729/4, 729/6, 739/2, 740/2, 741/5, 741/7, 741/9, 741/11,741/12,753/1, 753/2, 753/3, 754/4, 756, 757/2, 7657/3, 757/5, 759/1, 759/2, 760, 762, 768/1, 768/3, 770/1, 771/1, 771/3, 771/5, 771/6, 771/7, 771/8 and 771/9 PH. No. 05 RIC & Tehsil- Tilda Dist. Raipur, and personal guarantee of Directors and their relatives and Corporate Gurantee of M/s S. Pyarelal Ispat Private Limited. The cash credit is repayable on demand and carries interest (MCL1Y+4.40%+0.50%).

**WCTL** : from **HDFC Bank Limited** from HDFC Bank Limited carries interest (As per Mutual Agreement ) The loan is repayable in 3 months along with interest. The loan is secured by Exclusive charge over Plot No. A-31 situated at Wallfort City, Ward No.-63, Shyama Mukherjee Ward, Raipur in the name of Shri Ashish Goyal & Smt. Archana Goyal, Plot No. A-31, 4000 SQ. FT valuing Rs. 346.46 lacs as per valuation report of Satish Bhawani. Exclusive charge over open land situated at plot No. A-43, A-44, A-45, A-46 Sector-11A, Nagar Vikas Yojana, Kamal Vihar, Dunda, Raipur in the name of Acecon Estate India Private Limited, Plot No. A-43, A-44, A-45, A-46 2845.20 SQ Mtr.Exclusive charge over Santishi Nagar Tikrapars Ph. No. 114 Raipur in individual names in the name of Shri Brijlal Goyal, Smt. Kaushalya Devi goyal, Shri Suresh Kumar Goyal, Shri Manoj Kumar Goyal, Shri Vikas Kumar Goyal. Shri Ashish Goyal Kh. No. 556/3 & 556/5. Exclusive charge over Open Land at Tikrapara Ph. No. 114 Kh No. 427/2, 427/13 Rabindranath Tagore Ward No. 51 in the name of Shri Suresh Kumar Goyal, Shri Ashish Goyal. First and exclusive charge over the proposed Plant & Machinery, factory building and shed of 3rd Sponge Iron Kiln Induction Furnace with CCM Financed by HDFC Bank and PP Charges over the other fixed assets of the coy. Second Pari Passu charge by way of Hypothication of Stocks, Book Debts and other current assets of the Company and personal guarantee of the directors and relatives..

Contd...6...





**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

| Notes to Financial statements  | Amount in ₹            |                        |
|--|------------------------|------------------------|
| Particulars  | Current Year           | Previous year          |
| <b>2.06 TRADE PAYABLES</b>   |                        |                        |
| <b><u>Total Outstanding dues to Micro Enterprises and Small Enterprises</u></b>                                  |                        |                        |
| - Sundry Creditors for Goods, Services & Expenses  | 32,29,950.24           | 53,34,299.16           |
| <b><u>Total outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises</u></b>             |                        |                        |
| - Sundry Creditors for goods   | 13,44,67,183.84        | 16,97,59,360.34        |
| - Sundry Creditors for services & Expenses   | 2,37,91,346.83         | 2,58,60,850.00         |
| - Creditors for LC outstanding From Union Bank of India  | 3,61,13,085.00         | 1,87,67,414.00         |
| - Creditors for LC outstanding From Bank of Baroda<br>(Balance are subject to confirmations and reconciliations) | -                      | 2,98,74,515.00         |
| <b>TOTAL :</b>   | <b>19,76,01,565.91</b> | <b>24,95,96,438.50</b> |
| <b>2.07 OTHER CURRENT LIABILITIES</b>  |                        |                        |
| <b><u>Current Maturity of long term debts</u></b>  |                        |                        |
| <b><u>From Banks</u></b>   |                        |                        |
| - Term Loan from Bank of Baroda  | 2,11,64,416.00         | 72,41,648.08           |
| - Term Loan from Union Bank of India   | 76,12,500.00           | 40,76,587.01           |
| - Term Loan from HDFC Bank Limited   | 12,76,00,000.00        | 5,38,00,000.00         |
| - Vehicle Loan from Punjab National Bank   | 20,60,533.00           | 21,10,022.00           |
| - Vehicle Loan from HDFC Bank Limited  | 61,58,867.00           | 12,93,849.90           |
| - Vehicle Loan from KOTAK Mahindra Bank  | 3,62,150.00            | 3,29,381.00            |
| - Vehicle Loan ICICI Bank  | 13,26,970.00           | 12,15,313.01           |
| - Vehicle Loan from Union Bank of India  | 26,01,985.00           | -                      |
| <b><u>Other Liability</u></b>  |                        |                        |
| - Advance From Customers   | 2,36,53,596.00         | 34,31,366.00           |
| - Expenses Payable   | 1,84,54,546.09         | 1,73,67,336.78         |
| - Statutory Liabilities  | 3,73,06,688.50         | 2,03,60,963.59         |
| - Income Tax & Surcharge payable (Net of TDS/Adv. Tax)   | 1,04,26,223.67         | 41,45,805.00           |
| - Health & Education Cess on Income Tax Payable<br>(Balance are subject to confirmations and reconciliations)    | 33,19,458.00           | -                      |
| <b>TOTAL :</b>   | <b>26,20,47,933.26</b> | <b>11,53,72,272.37</b> |



**SAMBHV SPONGE POWER PRIVATE LIMITED//A/C YEAR 2020-21**

**NOTES - 2.08 - PROPERTY, PLANT AND EQUIPMENT FORMING PART OF FINANCIAL STATEMENT**

| Sr. No.   | Particulars                              | Gross Block          |                    |                    | Accumulated Depreciation |                   | Net Block         |                    | Amount in ₹          |
|-----------|--|----------------------|--------------------|--------------------|--------------------------|-------------------|-------------------|--------------------|----------------------|
|           |  | As on 01.04.2020     | Addition           | Sales/ Adjustments | As at 31.03.2021         | As at 01.04.2020  | For the Period    | As at 31.03.2021   |                      |
| <b>A.</b> | <b>Tangible Assets</b>                   |                      |                    |                    |                          |                   |                   |                    |                      |
| 1         | Land                                     | 48,592,943           | 74,556             | -                  | 48,667,499               | -                 | -                 | 48,667,499         | 48,592,943           |
| 2         | Roads                                    | 2,934,991            | 2,214,903          | -                  | 5,149,894                | 39,583            | 375,309           | 4,735,002          | 2,895,408            |
| 3         | Shed & Building-SID                      | 65,952,404           | 4,536,720          | -                  | 70,489,124               | 5,992,075         | 3,099,732         | 61,397,317         | 59,960,329           |
| 4         | Shed & Building-Power Plant              | 21,059,957           | 328,139            | -                  | 21,388,096               | 203,064           | 673,879           | 20,511,153         | 20,856,893           |
| 5         | Shed & Building-SMS                      | 38,779,273           | 394,140            | -                  | 39,173,413               | 398,474           | 1,237,103         | 37,537,836         | 38,380,799           |
| 6         | Computer, Printer & Networking           | 1,185,276            | 339,211            | -                  | 1,524,487                | 502,709           | 386,380           | 635,398            | 682,567              |
| 7         | Computer- Server                         | 271,000              | -                  | -                  | 271,000                  | 89,460            | 42,791            | 132,251            | 181,540              |
| 8         | Office Equipments                        | 1,203,080            | 802,061            | -                  | 2,005,142                | 355,483           | 297,302           | 1,352,357          | 847,597              |
| 9         | Electrical Installation Kiln I & II      | 2,813,021            | 256,126            | -                  | 3,069,146                | 510,562           | 271,755           | 782,317            | 2,302,459            |
| 10        | Electrical Installation Kiln III         | 35,986,687           | 521,503            | -                  | 36,508,189               | 4,479,974         | 3,443,247         | 7,923,221          | 31,506,713           |
| 11        | Electrical Installation Power Plant      | 71,591,406           | 367,829            | -                  | 71,959,234               | 2,446,648         | 6,796,009         | 9,242,657          | 69,144,758           |
| 12        | Electrical Installation SMS              | 24,640,016           | 4,366,101          | -                  | 29,006,117               | 843,526           | 2,336,091         | 3,179,617          | 23,796,490           |
| 13        | Furniture & Fixtures                     | 116,400              | 28,083             | -                  | 144,483                  | 41,949            | 21,597            | 63,546             | 74,451               |
| 14        | Laboratory Equipments                    | 100,000              | -                  | -                  | 100,000                  | 19,807            | 9,474             | 29,281             | 80,193               |
| 15        | Plant & Machinery Kiln I & II            | 119,493,542          | 1,145,396          | -                  | 120,638,937              | 15,569,858        | 7,594,050         | 23,163,908         | 103,923,684          |
| 16        | Plant & Machinery Kiln III               | 135,778,699          | 539,020            | -                  | 136,317,719              | 11,141,252        | 8,603,152         | 19,744,404         | 124,637,447          |
| 17        | Plant & Machinery Scrap Bundle Machine   | 14,926,929           | -                  | -                  | 14,926,929               | 1,565,802         | 942,789           | 2,508,591          | 13,361,127           |
| 18        | Plant & Machinery Power Plant            | 411,328,271          | 4,432,875          | -                  | 415,761,147              | 3,496,980         | 9,915,369         | 13,412,349         | 407,831,291          |
| 19        | Plant & Machinery SMS                    | 143,606,152          | 25,203,598         | -                  | 168,809,749              | 3,220,122         | 9,089,545         | 12,309,667         | 140,386,030          |
| 20        | Plant & Machinery Crushing Unit          | 1,817,658            | 190,550            | -                  | 2,008,208                | 315               | 123,858           | 124,173            | 1,817,343            |
| 21        | Loader Machine                           | 3,662,977            | -                  | -                  | 3,662,977                | 270,124           | 231,355           | 501,479            | 3,392,853            |
| 22        | Road Sweeper Machine                     | -                    | 1,229,000          | -                  | 1,229,000                | -                 | 22,756            | 22,756             | -                    |
| 23        | Pollution Control Equipments Kiln I & II | 6,842,590            | 87,500             | -                  | 6,930,090                | 850,755           | 437,707           | 1,288,462          | 5,991,835            |
| 24        | Weigh Bridge                             | 484,155              | -                  | -                  | 484,155                  | 57,271            | 30,579            | 87,850             | 426,884              |
| 25        | Heavy Vehicles                           | 9,371,753            | 17,643,365         | -                  | 27,015,118               | 98,925            | 1,836,104         | 1,935,029          | 9,272,828            |
| 26        | Vehicles                                 | 10,844,023           | 12,692,935         | -                  | 23,536,958               | 1,043,953         | 1,733,439         | 2,777,392          | 9,800,070            |
|           | <b>TOTAL :</b>                           | <b>1,173,383,203</b> | <b>77,393,609</b>  | <b>-</b>           | <b>1,250,776,812</b>     | <b>53,238,671</b> | <b>59,551,372</b> | <b>112,790,043</b> | <b>1,120,144,532</b> |
|           | <b>PREVIOUS YEAR</b>                     | <b>430,331,348</b>   | <b>743,051,855</b> | <b>-</b>           | <b>1,173,383,203</b>     | <b>47,159,093</b> | <b>36,466,351</b> | <b>53,238,671</b>  | <b>383,172,255</b>   |
| <b>B.</b> | <b>Intangible Assets</b>                 |                      |                    |                    |                          |                   |                   |                    |                      |
| 1         | Software                                 | 3,097,190            | 150,000            | -                  | 3,247,190                | 712,432           | 491,190           | 1,203,622          | 2,384,758            |
| 2         | Oracle License                           | 210,000              | -                  | -                  | 210,000                  | 69,324            | 33,159            | 102,483            | 140,676              |
|           | <b>TOTAL :</b>                           | <b>3,307,190</b>     | <b>150,000</b>     | <b>-</b>           | <b>3,457,190</b>         | <b>781,756</b>    | <b>524,349</b>    | <b>1,306,105</b>   | <b>2,525,434</b>     |
|           | <b>PREVIOUS YEAR</b>                     | <b>3,032,190</b>     | <b>275,000</b>     | <b>-</b>           | <b>3,307,190</b>         | <b>677,981</b>    | <b>506,258</b>    | <b>781,756</b>     | <b>2,354,209</b>     |



**SAMBHV SPONGE POWER PRIVATE LIMITED//A/C YEAR 2020-21**

| Sr. No. | Particulars                            | Gross Block         |                     |                          |                     | Accumulated Depreciation |                |                     | Net Block           |  |
|---------|--|---------------------|---------------------|--------------------------|---------------------|--------------------------|----------------|---------------------|---------------------|--|
|         |  | As on 01.04.2020    | Addition            | Sales/Return Adjustments | As at 31.03.2021    | As at 01.04.2020         | For the Period | As at 31.03.2021    | As at 31.03.2020    |  |
|         |  |                     |                     |                          |                     |                          |                |                     |                     |  |
| C.      | <b>Capital Work in Progress</b>        |                     |                     |                          |                     |                          |                |                     |                     |  |
| 1       | <u>Rolling Mill WIP</u>                |                     |                     |                          |                     |                          |                |                     |                     |  |
|         | Electrical Installation                | 3,11,536            | 4,36,68,439         | -                        | 4,39,79,975         |                          |                | 4,39,79,975         | 3,11,536            |  |
|         | Plant & Machinery                      | 1,70,40,169         | 41,79,75,893        | 73,63,166                | 42,76,52,897        |                          |                | 42,76,52,897        | 1,70,40,169         |  |
|         | Shed & Building                        | 2,05,49,138         | 5,58,29,354         | -                        | 7,63,78,492         |                          |                | 7,63,78,492         | 2,05,49,138         |  |
|         | TMT, Plate, Structure, Cement, Stores  | -                   | 84,51,759           | -                        | 84,51,759           |                          |                | 84,51,759           | -                   |  |
|         | Stores Item                            | -                   | -                   | -                        | -                   |                          |                | -                   | -                   |  |
|         | Pollution Control Equipments           | 4,00,000            | 88,540              | -                        | 4,88,540            |                          |                | 4,88,540            | 4,00,000            |  |
|         | Preoperative Expenses                  | 84,98,932           | 2,94,56,289         | -                        | 3,79,55,221         |                          |                | 3,79,55,221         | 84,98,932           |  |
| 2       | <u>Pipe Mill WIP</u>                   |                     |                     |                          |                     |                          |                |                     |                     |  |
|         | Electrical Installation                | -                   | 70,700              | -                        | 70,700              |                          |                | 70,700              | -                   |  |
|         | TMT                                    | -                   | 13,00,761           | -                        | 13,00,761           |                          |                | 13,00,761           | -                   |  |
| 3       | Advance to Suppliers for Capital Goods | 5,76,630            |                     | 5,76,630                 |                     |                          |                |                     | 5,76,630            |  |
|         | <b>TOTAL :</b>                         | <b>4,73,76,405</b>  | <b>55,68,41,735</b> | <b>79,39,796</b>         | <b>59,62,78,344</b> | <b>-</b>                 | <b>-</b>       | <b>59,62,78,344</b> | <b>4,73,76,405</b>  |  |
|         | <b>PREVIOUS YEAR</b>                   | <b>34,11,59,353</b> | <b>40,27,15,867</b> | <b>69,64,98,816</b>      | <b>4,73,76,405</b>  | <b>-</b>                 | <b>-</b>       | <b>4,73,76,405</b>  | <b>34,11,59,353</b> |  |



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

Notes to the Financial statements

Amount in ₹

| Particulars  | Current Year           | Previous year          |
|--|------------------------|------------------------|
| <b>2.09 Long Term Loan &amp; Advances</b>                                      |                        |                        |
| <b>- Security Deposit With</b>   |                        |                        |
| - Lupin Gases Private Limited  | 5,528.00               | 5,528.00               |
| - Pankaj Oxygen Limited  | 3,50,000.00            | 3,50,000.00            |
| - Saket Industrial Gases Limited   | 50,000.00              | 50,000.00              |
| - Chhattisgarh State Power Distribution Company Limited (CSPDCL)               | 2,66,00,000.00         | 80,00,000.00           |
| - Atul Oxygen Company, Bhilai  | 3,00,000.00            | 3,00,000.00            |
| - Shri Kanchan Lata Laal (for Rent)  | 15,000.00              | 15,000.00              |
| - Shri Sanjay Frenklin (Rent)  | 27,000.00              | 27,000.00              |
| - Security Deposit With Abdil Saleem Khan                                      | 10,000.00              | 10,000.00              |
| - Security Deposit With Mining Office  | 1,00,000.00            | 1,00,000.00            |
| - Security Deposit With Jitendra Kumar Sen                                     | 10,000.00              | 10,000.00              |
| - Security Deposit With FA & Co  | 50,000.00              | 50,000.00              |
| - Rakesh Kumar (Labour Contractor)   | 60,000.00              | -                      |
| - Security Deposit With Anupam Gupta   | 13,000.00              | -                      |
| - Security Deposit With Ravindra Rao Bhonsle                                   | 16,000.00              | -                      |
| - Security Deposit With Dileep Kesharwani                                      | 54,000.00              | -                      |
| - Security Deposit With Om Prakash sahu  | 17,000.00              | -                      |
| - South Eastern Coalfields Limited   | 1,000.00               | -                      |
| - Security Deposits With SECL FSA 231  | 26,66,000.00           | -                      |
| - Security Deposits With SECL FSA 394  | 11,78,000.00           | -                      |
| - Security Deposits With SECL FSA 1224   | 1,000.00               | -                      |
| - Security Deposit With Bharat Lal Gupta                                       | 19,000.00              | -                      |
| - Security Deposit With Durgesh Nandini Verma                                  | 11,000.00              | -                      |
| - Security Deposit With Manoj Kumar Agrawal                                    | 19,000.00              | -                      |
| - Security Deposit With M Rama Rao   | 13,000.00              | -                      |
| - Security Deposit With Narayan Dahariya                                       | 14,600.00              | -                      |
| - Security Deposit With Priyanka Sharma  | 16,000.00              | -                      |
| - Security Deposit With Pushpraj Mishra  | 15,000.00              | -                      |
|  | <b>3,16,31,128.00</b>  | <b>89,17,528.00</b>    |
| <b>2.10 INVENTORIES</b>  |                        |                        |
| (Valued at lower of cost and net realizable value, as certified by management) |                        |                        |
| <b>- Raw Materials &amp; Consumable</b>  |                        |                        |
| - Coal   | 12,13,93,101.57        | 9,55,08,210.37         |
| - Coal at Gangavaram Port/in transit   | -                      | 6,63,41,527.64         |
| - Dolomite   | 4,79,735.20            | 2,00,698.42            |
| - Iron Ore   | 11,11,18,246.52        | 4,16,60,580.43         |
| - Iron Ore Pellets   | 35,10,635.96           | 9,37,04,298.51         |
| - Iron Ore Fines   | 90,61,514.00           | 86,46,300.00           |
| - Sponge   | 2,44,17,718.00         | -                      |
| - Waste & Scrap Raw material   | 1,10,84,572.37         | 2,51,94,541.44         |
| - Silicon magneese   | 19,30,254.78           | 22,25,195.17           |
| - Dolachar   | 16,37,339.00           | 3,28,100.00            |
| - Stores and Consumables   | 3,34,96,761.38         | 2,48,03,171.37         |
| (A)  | <b>31,81,29,878.78</b> | <b>35,86,12,623.35</b> |



Contd...10..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

| Notes to the Financial statements  | Amount in ₹            |                        |
|--|------------------------|------------------------|
| PARTICULARS  | Current Year           | Previous year          |
| <b>- Finished Goods</b>  |                        |                        |
| - Dolochar   | -                      | 46,46,720.00           |
| - Sponge Iron  | 66,33,578.00           | 1,37,18,424.08         |
| - Billets  | 1,78,13,021.05         | 4,38,14,114.78         |
| - Char   | 6,036.00               | 93,047.00              |
| - Dust   | 19,491.60              | 41,538.60              |
| - Slag   | 1,07,990.00            | 49,210.00              |
| - Waste & Scrap Finished Goods   | -                      | 21,558.94              |
| Mill Scale   | 1,20,74,660.00         | -                      |
| <b>(B)</b>   | <b>3,66,54,776.65</b>  | <b>6,23,84,613.40</b>  |
|  | <b>35,47,84,655.42</b> | <b>42,09,97,236.75</b> |
| <b>2.11 TRADE RECEIVABLES AND OTHER ASSETS</b>                               |                        |                        |
| <b>TRADE RECEIVABLES</b>   |                        |                        |
| <b><u>Outstanding for more than Six Months</u></b>                           |                        |                        |
| - Unsecured, Considered Good   | 11,56,840.00           | 1,58,012.32            |
| <b><u>Other Receivables</u></b>  |                        |                        |
| - Unsecured, Considered Good   | 7,51,38,175.40         | 12,86,16,256.00        |
| (Balance under receivables are subject to confirmations and reconciliations) |                        |                        |
|  | <b>7,62,95,015.40</b>  | <b>12,87,74,268.32</b> |
| <b>2.12 CASH &amp; CASH EQUIVALENTS</b>                                      |                        |                        |
| <b><u>Cash in Hand</u></b>   |                        |                        |
| - Cash Balance   | 9,44,857.68            | 11,95,390.98           |
|  | <b>9,44,857.68</b>     | <b>11,95,390.98</b>    |
| <b><u>Bank Balance With Scheduled Bank</u></b>                               |                        |                        |
| - Bank of Baroda, Main Br., Raipur C/D Account                               | -                      | 3,27,263.57            |
| - Union Bank of India, Mid Cor. Br., Raipur C/D Account                      | -                      | 34,514.01              |
| - Bank of Baroda Share Application C/D Account                               | 23,275.20              | 23,630.20              |
| - HDFC Bank C/D Account  | 1,85,812.21            | 62,42,923.47           |
| - HDFC Bank C/D Account  | -                      | 60,000.00              |
| - HDFC Bank Happay Prepaid Card  | 1,50,150.00            | -                      |
| - Fixed Deposit with Bank  | 6,95,19,904.00         | 4,99,20,789.00         |
|  | <b>6,98,79,141.41</b>  | <b>5,66,09,120.25</b>  |
|  | <b>7,08,23,999.09</b>  | <b>5,78,04,511.23</b>  |
| <b>2.13 SHORT TERM LOANS &amp; ADVANCES</b>                                  |                        |                        |
| (Unsecured, considered good)   |                        |                        |
| - Advance to Suppliers of Raw Materials                                      | 33,39,29,717.13        | 13,02,37,923.05        |
| - Advance to Suppliers of Capital Goods                                      | 3,60,31,799.35         | 9,36,13,330.00         |
| - Advance to Suppliers of Sevices  | 2,05,72,479.33         | 88,40,764.58           |
| - Advance to Suppliers of Stores & Consumables                               | 3,59,74,237.97         | 7,29,288.41            |
| - Staff Advance  | 10,28,841.00           | 6,57,312.00            |
| - Advance Income Tax   | -                      | -                      |
| - MAT Credit Entitlement   | 7,94,183.00            | 7,94,183.00            |
| - Balance With Revenue Authorities   | -                      | 12,27,486.10           |
| - Prepaid Expenses   | 40,65,144.00           | 29,70,954.00           |
| - Interest Receivable on SD with CSPDCL                                      | 8,21,219.00            | 1,70,46,860.00         |
|  | <b>43,32,17,620.78</b> | <b>25,61,18,101.14</b> |



Contd...11..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

| Notes to the Financial Statements            |                          | Amount in ₹              |  |
|--|--------------------------|--------------------------|--|
| Particulars                                  | Current Year             | Previous Year            |  |
| <b>2.14 REVENUE FROM OPERATIONS</b>          |                          |                          |  |
| <b><u>Sale of Materials</u></b>              |                          |                          |  |
| - Revenue from Operations (Net of GST)       | 4,79,04,55,750.45        | 2,43,40,81,751.00        |  |
| <b>Revenue from operations (Net)</b>         | <b>4,79,04,55,750.45</b> | <b>2,43,40,81,751.00</b> |  |
| <b>2.15 OTHER INCOME</b>                     |                          |                          |  |
| - Interest Income                            | 68,69,400.70             | 31,52,412.16             |  |
| - Sales Of Transportation Services           | 42,68,073.85             | -                        |  |
| <b>TOTAL :</b>                               | <b>1,11,37,474.55</b>    | <b>31,52,412.16</b>      |  |
| <b>2.16 COST OF RAW MATERIALS CONSUMED</b>   |                          |                          |  |
| - Opening Stock at the Beginning of the Year | 33,38,09,451.98          | 17,12,98,927.95          |  |
| - Purchases during the period                | 3,55,57,48,225.53        | 2,11,25,55,128.10        |  |
|  | <b>3,88,95,57,677.51</b> | <b>2,28,38,54,056.05</b> |  |
| - Less : Inventory at the end of the year    | 28,46,33,117.40          | 33,38,09,451.98          |  |
| - <b>Cost of Raw Materials Consumed</b> (A)  | <b>3,60,49,24,560.11</b> | <b>1,95,00,44,604.07</b> |  |
| <b><u>COST OF STORES CONSUMED</u></b>        |                          |                          |  |
| - Opening Stock at the Beginning of the Year | 2,48,03,171.31           | 70,42,408.00             |  |
| - Purchases during the period                | 14,67,70,561.52          | 7,67,99,490.73           |  |
|  | <b>17,15,73,732.83</b>   | <b>8,38,41,898.73</b>    |  |
| - Less : Inventory at the end of the year    | 3,34,96,761.38           | 2,48,03,171.31           |  |
| - <b>Cost of Stores Consumed</b> (B)         | <b>13,80,76,971.45</b>   | <b>5,90,38,727.42</b>    |  |
| <b>Total Consumption</b> (A) + (B)           | <b>3,74,30,01,531.56</b> | <b>2,00,90,83,331.49</b> |  |
| <b><u>Details of Closing Inventory</u></b>   |                          |                          |  |
| <b><u>Raw Material</u></b>                   |                          |                          |  |
| - Coal                                       | 12,13,93,101.57          | 9,55,08,210.37           |  |
| - Coal at Gangavaram Port                    | -                        | 6,63,41,527.64           |  |
| - Dolomite                                   | 4,79,735.20              | 2,00,698.42              |  |
| - Iron Ore                                   | 11,11,18,246.52          | 4,16,60,580.43           |  |
| - Iron Ore Pellets                           | 35,10,635.96             | 9,37,04,298.51           |  |
| - Iron Ore Fines                             | 90,61,514.00             | 86,46,300.00             |  |
| - Sponge                                     | 2,44,17,718.00           | -                        |  |
| - Waste & Scrap Raw material                 | 1,10,84,572.37           | 2,51,94,541.44           |  |
| - Silicon magneese                           | 19,30,254.78             | 22,25,195.17             |  |
| - Dolachar                                   | 16,37,339.00             | 3,28,100.00              |  |
|  | <b>28,46,33,117.40</b>   | <b>33,38,09,451.98</b>   |  |
| <b><u>Stores &amp; Spares</u></b> (B)        | <b>3,34,96,761.38</b>    | <b>2,48,03,171.37</b>    |  |



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

Notes to the Financial Statements

Amount in ₹

| Particulars |  | Current Year           | Previous Year           |
|-------------|--|------------------------|-------------------------|
|             | <b>Finished Goods</b>                                |                        |                         |
| -           | Dolochar   | -                      | 46,46,720.00            |
| -           | Sponge Iron  | 66,33,578.00           | 1,37,18,424.08          |
| -           | Billets  | 1,78,13,021.05         | 4,38,14,114.78          |
| -           | Char   | 6,036.00               | 93,047.00               |
| -           | Dust   | 19,491.60              | 41,538.60               |
| -           | Slag   | 1,07,990.00            | 49,210.00               |
| -           | Mill Scale   | 1,20,74,660.00         | -                       |
| -           | Waste & Scrap Finished Goods                         | -                      | 21,558.94               |
|             | <b>( C )</b>   | <b>3,66,54,776.65</b>  | <b>6,23,84,613.40</b>   |
|             | <b>TOTAL (A to C) :</b>                              | <b>35,47,84,655.42</b> | <b>42,09,97,236.75</b>  |
| 2.17        | <u>Trading Purchases</u>                             | 12,14,20,607.90        | 26,77,739.80            |
|             | <b>TOTAL :</b>                                       | <b>12,14,20,607.90</b> | <b>26,77,739.80</b>     |
| 2.18        | <b><u>CHANGE IN INVENTORIES</u></b>                  |                        |                         |
|             | <b><u>Inventory at the end of the year</u></b>       |                        |                         |
|             | <b>Finished Goods</b>                                |                        |                         |
| -           | Dolochar   | -                      | 46,46,720.00            |
| -           | Sponge Iron  | 66,33,578.00           | 1,37,18,424.08          |
| -           | Waste & Scrap Finished Goods                         | -                      | 21,558.94               |
| -           | Char   | 6,036.00               | 93,047.00               |
| -           | Billets  | 1,78,13,021.05         | 4,38,14,114.78          |
| -           | Dust   | 19,491.60              | 41,538.60               |
| -           | Slag   | 1,07,990.00            | 49,210.00               |
| -           | Mill Scale   | 1,20,74,660.00         | -                       |
|             | <b>(A)</b>   | <b>3,66,54,776.65</b>  | <b>6,23,84,613.40</b>   |
|             | <b><u>Inventory at the beginning of the year</u></b> |                        |                         |
| -           | Dolochar   | 46,46,720.00           | 14,46,130.00            |
| -           | Char   | 93,047.00              | 74,293.00               |
| -           | Dust   | 41,538.60              | 46,150.00               |
| -           | Waste & Scrap  | 21,558.94              | 29,27,371.00            |
| -           | Sponge Iron  | 1,37,18,424.08         | 96,92,400.00            |
| -           | Slag   | 49,210.00              | -                       |
| -           | Billets  | 4,38,14,114.78         | -                       |
|             | <b>(B)</b>   | <b>6,23,84,613.40</b>  | <b>1,41,86,344.00</b>   |
|             | <b>(B-A)</b>   | <b>2,57,29,836.76</b>  | <b>(4,81,98,269.40)</b> |
|             | <b>(Increase) / Decrease</b>                         |                        |                         |
| 2.19        | <b><u>EMPLOYEE BENEFIT EXPENSES</u></b>              |                        |                         |
| -           | Salary and Wages                                     | 7,94,13,860.00         | 5,39,69,068.01          |
| -           | Wages  | 5,16,68,072.34         | 2,21,46,648.02          |
| -           | Contribution to EPF                                  | 24,73,408.00           | 12,12,720.02            |
| -           | Contribution to ESIC                                 | 12,67,629.00           | 8,62,658.99             |
| -           | Staff & Labour Welfare                               | 5,57,516.50            | 3,60,310.90             |
|             | <b>TOTAL :</b>                                       | <b>13,53,80,485.84</b> | <b>7,85,51,405.94</b>   |



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

| Notes to the Financial Statements              |                        | Amount in ₹            |  |
|--|------------------------|------------------------|--|
| Particulars                                    | Current Year           | Previous Year          |  |
| <b>2.20 OTHER EXPENSES</b>                     |                        |                        |  |
| <b>Direct Expenses :</b>                       |                        |                        |  |
| - Goods Carriage Vehicle Hire Charges          | 9,79,000.06            | 37,45,300.00           |  |
| - Power Charges                                | 8,57,72,213.23         | 11,01,55,891.99        |  |
| - Consultancy Charges (Tech.)                  | -                      | 22,00,000.00           |  |
| - Repair & Maintenance to Machineries          | 31,36,027.10           | 28,88,412.98           |  |
| - Annual Maintenance Contract                  | 10,779.00              | -                      |  |
| - Mess Expenses (Plant)                        | 18,43,314.00           | 15,89,420.00           |  |
| <b>(A)</b>                                     | <b>9,17,41,333.39</b>  | <b>12,05,79,024.97</b> |  |
| <b>Administrative &amp; Selling Expenses :</b> |                        |                        |  |
| - Advertisement                                | 2,09,925.00            | 1,77,059.46            |  |
| - Legal and other fees                         | 22,18,246.44           | 14,24,156.80           |  |
| - Consultancy Charges                          | 31,30,483.06           | 36,81,200.00           |  |
| - Office Rent                                  | 6,00,000.00            | 10,00,000.00           |  |
| - Insurance                                    | 35,88,633.36           | 29,04,277.52           |  |
| - Office Expenses                              | 8,63,113.10            | 2,68,347.82            |  |
| - Tour & Travelling                            | 1,14,077.00            | 6,03,072.44            |  |
| - Vehicle repair/Maintenance                   | 34,70,836.22           | 7,27,512.60            |  |
| - Commission on Sales                          | 63,34,924.83           | 20,83,532.17           |  |
| - Telephone exp                                | 5,66,659.66            | 4,32,120.79            |  |
| - Security Service Charges                     | 28,75,905.00           | 27,55,096.10           |  |
| - CSR activity exp                             | 17,06,333.00           | 8,56,450.00            |  |
| - Plantation exp                               | 10,68,468.00           | 1,59,290.00            |  |
| - Guest House exp                              | 16,43,618.00           | 6,25,100.00            |  |
| - GST Expenses (Earlier Year)                  | 1,25,715.00            | -                      |  |
| - Printing stationary                          | 1,69,671.22            | 4,265.00               |  |
| - Round off                                    | 1,86,699.93            | 37,913.73              |  |
| - Membership Fees                              | 1,47,009.00            | 1,08,999.16            |  |
| - Interest On Income Tax, TDS & TCS            | 1,36,567.00            | 17,106.00              |  |
| - Outward Transportation Charges               | 38,49,105.13           | 5,13,339.24            |  |
| - Donation                                     | 6,00,000.00            | 5,00,000.00            |  |
| - Auditor's Remuneration                       | 4,38,000.00            | 1,25,000.00            |  |
| - Health & Education Cess on Income Tax        | 33,19,458.00           | -                      |  |
| <b>(B)</b>                                     | <b>3,73,63,447.95</b>  | <b>1,90,03,838.83</b>  |  |
| <b>TOTAL : (A+)</b>                            | <b>12,91,04,781.34</b> | <b>13,95,82,863.80</b> |  |
| <b>2.21 FINANCIAL COST</b>                     |                        |                        |  |
| - Bank Charges                                 | 80,09,991.16           | 61,24,402.93           |  |
| - Interest on Term Loan                        | 7,05,99,059.56         | 4,42,42,887.27         |  |
| - Interest on Unsecured Loan                   | 3,56,77,508.00         | 1,78,55,720.00         |  |
| - Interest to Bank On LC                       | 12,45,319.90           | 60,09,761.78           |  |
| - Interest on Vehicle Loan                     | 21,10,135.57           | 7,75,894.02            |  |
| - Interest on Short Term Borrowing             | 3,10,03,885.54         | 1,54,36,307.00         |  |
| - Other Interest                               | 8,04,938.40            | 62,958.00              |  |
| <b>TOTAL :</b>                                 | <b>14,94,50,838.13</b> | <b>9,05,07,931.00</b>  |  |





**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

2.22 As per Accounting Standard 18 issued by Institute of Chartered Accountants of India, the disclosure of transaction with related parties as defined in Accounting Standard are given below:

A) List of related parties with whom transactions have taken place and relationship:

| S. No. | Name of Related Party                      | Relationship   |
|--------|--|--|
| 1.     | Shri Ashish Goyal                          | Director   |
| 2.     | Shri Vikash Kumar Goyal                    | Director   |
| 3.     | Shri Suresh Kumar Goyal                    | Director   |
| 4.     | Shri Manoj Kumar Goyal                     | Relative of Key Management Personnel   |
| 5.     | Shri Brijlal Goyal                         | Relative of Key Management Personnel   |
| 6.     | Shri Harshit Goyal                         | Relative of Key Management Personnel   |
| 7.     | Shri Rohit Goyal                           | Relative of Key Management Personnel   |
| 7.     | Smt. Kaushalya Devi Goyal                  | Relative of Key Management Personnel   |
| 8.     | Smt. Suman Goyal                           | Relative of Key Management Personnel   |
| 9.     | Smt. Rinku Goyal                           | Relative of Key Management Personnel   |
| 10.    | Smt. Sheetal Goyal                         | Relative of Key Management Personnel   |
| 11.    | Smt. Archana Goyal                         | Relative of Key Management Personnel   |
| 12.    | Ashish Kumar Goyal & Sons HUF              | Relative of Key Management Personnel   |
| 13.    | Vikash Kumar Goyal & Sons HUF              | Relative of Key Management Personnel   |
| 14.    | Suresh Kumar Goyal & Sons HUF              | Relative of Key Management Personnel   |
| 15.    | Manoj Kumar Goyal & Sons HUF               | Relative of Key Management Personnel   |
| 16.    | Brijlal Goyal & Sons HUF                   | Relative of Key Management Personnel   |
| 17.    | Ganpati Sponge Iron Private Limited        | Enterprises over which Key Management Personnel exercise significant influence |
| 18.    | S. Pyarelal Ispat Private Limited          | Enterprises over which Key Management Personnel exercise significant influence |
| 19.    | Niros Ispat Private Limited                | Enterprises over which Key Management Personnel exercise significant influence |
| 20.    | Goyal Realty & Agriculture Private Limited | Enterprises over which Key Management Personnel exercise significant influence |
| 21.    | Brijwasi Plastic Private Limited           | Enterprises over which Key Management Personnel exercise significant influence |
| 22.    | M/s Anjaneya Ispat                         | Enterprises over which Key Management Personnel exercise significant influence |

B) Transactions with related parties

(₹ in Lacs)

| Particulars                 | Key Management Personnel and their relatives | Enterprise over which Key Management Personnel exercise Significant influence | Total                 |
|-----------------------------|--|---|-----------------------|
| Unsecured Loan Taken        | 741.50<br>(1,766.83)                         | 145.64<br>(760.00)  | 887.14<br>(2,526.83)  |
| Repayment of Unsecured Loan | 918.67<br>(1,965.02)                         | 190.21<br>(1134.81)   | 1108.88<br>(3,099.84) |



Contd..15..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

|                                      |                    |                        |                        |
|--------------------------------------|--------------------|------------------------|------------------------|
| Interest on Unsecured Loan           | 194.83<br>(206.07) | 28.33<br>(41.94)       | 223.16<br>(248.01)     |
| Purchase of Material (Excl. GST))    | --<br>(--)         | 1235.98<br>(1,016.41)  | 1235.98<br>(1,016.41)  |
| Purchase of Fixed Assets             | --<br>(--)         | --<br>(150.53)         | --<br>(150.93)         |
| Sale of Goods (Incl. GST)            | --<br>(--)         | 3738.21<br>(15,950.05) | 3738.21<br>(15,950.05) |
| Sale of Fixed Assets                 | --<br>(--)         | --<br>(1.25)           | --<br>(1.25)           |
| Expenses Incurred                    | --<br>(--)         | --<br>(44.97)          | --<br>(44.97)          |
| Rent Received                        | --<br>(--)         | 34.32<br>(--)          | 34.32<br>(--)          |
| Share Application Received & Alloted | --<br>(--)         | --<br>(300.00)         | --<br>(300.00)         |

Figures in ( ) relates to previous year.

C) Balance with related Parties (₹ in Lacs)

| Particulars         | Key Management Personal and their relatives | Enterprise over which Key Management Personnel exercise Significant influence | Total                 |
|---------------------|---|---|-----------------------|
| Long Term Borrowing | 1621.57<br>(1,618.91)                       | 107.50<br>(144.88)  | 1729.10<br>(1,763.79) |
| Trade Payable       | --<br>(--)                                  | 3.26<br>(300.00)  | 3.26<br>(300.00)      |

Figures in ( ) relates to previous year.

**2.23** Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :- (₹ in Lacs)

| S. No. | Particulars   | Current Year | Previous Year |
|--------|---|--------------|---------------|
| I      | Principal amount remaining unpaid to supplier at the end of the year  | 32.30        | 53.34         |
| II     | Interest due thereon remaining unpaid to supplier at the end of the year  | 0.07         | 4.12          |
| III    | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act | 0.37         | 5.16          |
| IV     | The amount of interest accrued and remaining unpaid at the end of the year  | 0.43         | 9.28          |

Dues to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information collected by the management, however, previous year's interest could not be ascertained due to non claim of any party to be as Micro or small enterprises.



**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

**2.24 Earnings Per Share**

| Particulars   |      | Current Year | Previous Year |
|---|------|--------------|---------------|
| Profit available to Equity Shareholders<br>i.e. Profit / (Loss) after Tax (A) | ₹    | 330844911    | 119009444     |
| Number of Equity Shares   |      |              |               |
| Weighted Average Number of Equity Shares<br>outstanding (B)                   | Nos. | 20090300     | 19759041      |
| Basic Earnings Per Share (A/B)  | ₹    | 16.47        | 6.02          |
| Nominal Value of an Equity Share  | ₹    | 10           | 10            |

**2.25 CONTINGENT LIABILITY**

(₹ in Lacs)

| Sl. No.               | Nature of Statue | Nature of Dues                 | Amount<br>₹ in lacs     | Period to<br>which the<br>amount relates | Forum where<br>dispute is pending                        |
|-----------------------|------------------|--------------------------------|-------------------------|--|--|
| 01                    | Income Tax TDS   | Demand as per TRACES<br>portal | 12.74                   | Various years                            | Traces (subject to<br>rectification/recon-<br>ciliation) |
| <b>Bank Guarantee</b> |                  |                                |                         |  |  |
| Sr. No.               | Bank Name        | In favour of                   | B.G amount<br>₹ in Lacs | Issue Date                               | Valid till   |
| 1                     | Bank of Baroda   | SECL, Bilaspur                 | 22.00                   | 24.02.2020                               | 31.05.2023   |
| 2                     | Bank of Baroda   | SECL, Bilaspur                 | 46.00                   | 24.02.2020                               | 31.08.2022   |
| 3                     | Bank of Baroda   | SECL, Bilaspur                 | 17.00                   | 24.02.2020                               | 23.02.2025   |
| 4                     | Bank of Baroda   | SECL, Bilaspur                 | 36.70                   | 13.02.2020                               | 31.08.2022   |
|                       |                  | <b>Total</b>                   | <b>121.70</b>           |  |  |

**2.26** No provision in the books of accounts has been made for post employment and other long term employee benefit as required in Accounting Standard-15 "Employee Benefit".

**2.27** The company has identified Iron & Steel as the sole business segment and the same has been treated as primary business segment. The Company sells within India and does not have operations in economic environments with different risks and returns, it is considered operating in single geographical segment. Hence, no further disclosure as required under the Accounting Standard- 17 "Segment Reporting" as issued by the 'The Institute of Chartered Accountants of India'.

**2.28 Value of Import/Export**

| Year             | Value of Import in<br>Foreign Currency | Items Imported              | Remark   |
|------------------|--|-----------------------------|--|
| Current Year     | US\$ - 2721226                         | Stores and Capital<br>Goods | Total import incl. Custom and<br>other exp. in Rs. 265199975/- |
| Previous<br>Year | US\$ - 2340                            | - Do -                      | Total import incl. Custom and<br>other exp. Rs. 2176470/-      |

Note :- There is no export during the year (Prev. Year- Nil)



Contd..17..

**SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2020-21**

**2.29 Others**

- In the opinion of the management, the Current Assets, Loans, Advances & Deposits approximately of the value stated if realized in the ordinary course of business & provisions for all known liabilities are adequate and not in excess of amount considered necessary and that no personal expenses have been charged in the account except those payable under contractual obligations.


**In opinion of the Board :**

- All known liabilities have been provided for:
- All material items have been disclosed in the financial statement. There are no material changes in accounting policies as compared to previous year
- Prior period items and extra ordinary items which are material and if any, are disclosed separately.

**2.30** Previous year's figures are regrouped, reclassify, rearranged where-ever necessary to match current year's classification.


**AS PER OUR REPORT OF EVEN DATE,  
For, A D B & Company,  
Chartered Accountants,  
ICAI FRN 005593C**

**For and on behalf of Board**

  
(Suresh Kumar Goyal)  
Director  
DIN 00318141

  
(Vikash Kumar Goyal)  
Director  
DIN 00318182



  
(Rajesh Kumar Chawda)  
Partner  
Membership No. 405675

**PLACE : RAIPUR  
DATED : 19.06.2021**