

# **DHARMESH PARIKH & CO.**

## **CHARTERED ACCOUNTANTS**

303/304, "Milestone", Nr. Drive-in-Cinema, Opp.T.VTower, Thaltej,  
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

### **Independent Auditor's Report**

#### **To the Members of Rajasthan Collieries Limited**

#### **Report on the audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of Rajasthan Collieries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Other Information**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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 standalone financial statements or our knowledge obtained during the course of our 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.



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### **Independent Auditor's Report To the Members of Rajasthan Collieries Limited (Continue)**

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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.



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### Independent Auditor's Report

#### To the Members of Rajasthan Collieries Limited (Continue)

- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';



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**Independent Auditor's Report**  
**To the Members of Rajasthan Collieries Limited (Continue)**

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has adequately disclosed the pending litigations in its Standalone Financial Statements which may impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

A handwritten signature in blue ink, appearing to read "D. A. Parikh".

**D. A. Parikh**  
Partner  
Membership No. 045501

# DHARMESH PARIKH & CO.

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

#### **RE: Rajasthan Collieries Limited**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2019, we report that:

- (i) The company does not have any Fixed Assets. Accordingly, the provisions of paragraph 3 (i) (a) to (c) of the Order are not applicable.
- (ii) The Company has not carried out any commercial activities during the year ended on 31<sup>st</sup> March, 2019 and hence it does not carry any Inventory. Accordingly the provisions of paragraph 3 (ii) (a) & (b) of the Order are not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted 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 provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The company has not done any commercial activity during the year under review. Accordingly, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income Tax, Goods and Service Tax, Value Added Tax, Cess, Provident Fund and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, Duty of Customs and Duty of Excise.  

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred above were in arrears as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.

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

**RE: Rajasthan Collieries Limited (Continue)**

(Referred to in Paragraph 1 of our Report of even date)

- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid/ provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**D. A. Parikh**  
Partner  
Membership No. 045501

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### **Annexure – B to the Independent Auditor's Report**

#### **RE: Rajasthan Collieries Limited**

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(Referred to in Paragraph 2(f) of our Report of even date)

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

#### **Opinion**

We have audited the internal financial controls over financial reporting of the company as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, 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.

#### **Management's Responsibilities for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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



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### Annexure – B to the Independent Auditor's Report

#### RE: Rajasthan Collieries Limited (continue)

(Referred to in Paragraph 2(f) of our Report of even date)

#### Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

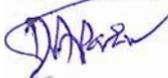
**D. A. Parikh**  
Partner  
Membership No. 045501

# RAJASTHAN COLLIERIES LIMITED

Balance Sheet as at 31 March 2019

|  |       | (Amt in Rs.)         |                    |
|--|-------|----------------------|--------------------|
|  |       | As at                | As at              |
|  |       | 31-Mar-2019          | 31-Mar-2018        |
|  | Notes |                      |                    |
| <b>ASSETS</b>  |       |                      |                    |
| <b>(I) Non-Current Assets</b>                                    |       |                      |                    |
| (a) Property, Plant and Equipment                                |       | -                    | -                  |
| (b) Intangible Assets under Development                          | 3     | 4,72,95,251          | 4,72,95,251        |
| (c) Other Intangible Assets                                      |       | -                    | -                  |
| (d) Financial Assets   |       | -                    | -                  |
| (e) Deferred Tax Asset   |       | -                    | -                  |
| (f) Income Tax Assets (net)                                      |       | 9,468                | 10,352             |
| (g) Other Non-current Assets                                     | 4     | 19,393               | -                  |
|  |       | <b>4,73,24,112</b>   | <b>4,73,05,603</b> |
| <b>(II) Current Assets</b>                                       |       |                      |                    |
| (a) Inventories  |       | -                    | -                  |
| (b) Financial Assets   |       |                      |                    |
| (i) Cash & Cash Equivalents                                      | 5     | 12,22,738            | 29,472             |
| (ii) Loans   | 6     | 2,65,558             | -                  |
| (iii) Other Financial Assets                                     | 7     | 2,88,58,938          | 4,65,77,997        |
| (c) Other Current Assets   | 8     | 44,901               | -                  |
|  |       | <b>3,03,92,135</b>   | <b>4,66,07,469</b> |
| <b>Total</b>   |       | <b>7,77,16,247</b>   | <b>9,39,13,072</b> |
| <b>EQUITY AND LIABILITIES</b>                                    |       |                      |                    |
| <b>EQUITY</b>  |       |                      |                    |
| (a) Equity Share Capital   | 9     | 50,00,000            | 50,00,000          |
| (b) Other Equity   |       | (4,81,03,705)        | (22,98,692)        |
|  |       | <b>(4,31,03,705)</b> | <b>27,01,308</b>   |
| <b>LIABILITIES</b>   |       |                      |                    |
| <b>(I) Non-Current Liabilities</b>                               |       |                      |                    |
| (a) Financial Liabilities  |       | -                    | -                  |
| (b) Provisions   | 10    | 60,87,755            | -                  |
| (c) Other Non-Current Liabilities                                |       | -                    | -                  |
|  |       | <b>60,87,755</b>     | <b>-</b>           |
| <b>(II) Current Liabilities</b>                                  |       |                      |                    |
| (a) Financial Liabilities  |       |                      |                    |
| (i) Trade Payables   | 11    |                      |                    |
| - Total dues of micro and small enterprises                      |       | -                    | -                  |
| - Total dues of creditors other than micro and small enterprises |       | 22,29,693            | 23,950             |
| (ii) Borrowings  | 12    | 8,22,17,908          | 4,63,55,780        |
| (b) Provisions   | 13    | 2,21,693             | -                  |
| (c) Other Current Liabilities                                    | 14    | 3,00,62,903          | 4,48,32,034        |
| (d) Income Tax Liabilities (net)                                 |       | -                    | -                  |
|  |       | <b>11,47,32,197</b>  | <b>9,12,11,764</b> |
| <b>Total</b>   |       | <b>7,77,16,247</b>   | <b>9,39,13,072</b> |
| Summary of significant accounting policies                       | 2     |                      |                    |

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

  
**D. A. Parikh**  
Partner  
Membership No. 045501  
Place : Ahmedabad  
Date : 21-May-2019



For and on behalf of the board of directors of  
**Rajasthan Collieries Limited**

  
**Vinay Prakash**  
Managing Director  
DIN : 03634648  
Place : Jaipur  
Date : 15-May-2019

  
**Manish Saxena**  
Director  
DIN : 08280514

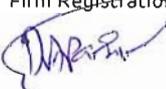
# RAJASTHAN COLLIERIES LIMITED

Statement of Profit and Loss for the year ended on 31 March 2019

(Amt in Rs.)

|   | Notes | For the year ended<br>31-Mar-2019 | For the year ended<br>31-Mar-2018 |
|---|-------|-----------------------------------|-----------------------------------|
| <b>a) Revenue</b>   |       |                                   |                                   |
| Revenue from Operations                                       |       | -                                 | -                                 |
| Other Income  | 15    | 73,675                            | 1,39,032                          |
| <b>Total Revenue</b>  |       | <b>73,675</b>                     | <b>1,39,032</b>                   |
| <b>b) Expenses</b>  |       |                                   |                                   |
| Operating Expenses  |       | -                                 | -                                 |
| Employee Benefits Expense                                     | 16    | 3,57,00,774                       | -                                 |
| Finance Costs   | 17    | 72,43,747                         | 382                               |
| Depreciation and Amortisation Expense                         |       | -                                 | -                                 |
| Other Expenses  | 18    | 29,49,700                         | 1,16,626                          |
| <b>Total Expenses</b>   |       | <b>4,58,94,221</b>                | <b>1,17,008</b>                   |
| <b>c) Profit / (Loss) Before Tax</b>                          |       | <b>(4,58,20,546)</b>              | <b>22,024</b>                     |
| <b>d) Tax Expense</b>   |       |                                   |                                   |
| Current Tax   |       | -                                 | 5,679                             |
| Deferred Tax  |       | -                                 | -                                 |
| Adjustment of Earlier Years                                   |       | 14,125                            | -                                 |
| <b>Total Tax Expenses</b>                                     |       | <b>14,125</b>                     | <b>5,679</b>                      |
| <b>e) Profit / (Loss) For The Year</b>                        |       | <b>(4,58,34,671)</b>              | <b>16,345</b>                     |
| <b>f) Other Comprehensive Income</b>                          |       |                                   |                                   |
| - Item that will be reclassified to Profit & Loss             |       | -                                 | -                                 |
| - Item that will not be reclassified to Profit & Loss         |       |                                   |                                   |
| (a) Remeasurement of post employee benefit obligation         |       | 29,658                            | -                                 |
| (b) Income tax relating to these items                        |       | -                                 | -                                 |
| <b>Total Other Comprehensive Income</b>                       |       | <b>29,658</b>                     | <b>-</b>                          |
| <b>g) Total Comprehensive Income for the Year</b>             |       | <b>(4,58,05,013)</b>              | <b>16,345</b>                     |
| <b>h) Earning per Equity Share (Face value of Rs.10 each)</b> |       |                                   |                                   |
| Basic   | 26    | (91.67)                           | 0.03                              |
| Diluted   |       | (91.67)                           | 0.03                              |
| Summary of significant accounting policies                    |       | 2                                 |                                   |

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

  
**D. A. Parikh**  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 21-May-2019



For and on behalf of the board of directors of  
**Rajasthan Collieries Limited**

  
**Vinay Prakash**  
Managing Director  
DIN : 03634648

Place : Jaipur  
Date : 15-May-2019

  
**Manish Saxena**  
Director  
DIN : 08280514

# RAJASTHAN COLLIERIES LIMITED

Cash Flow Statement for the year ended on 31 March 2019

(Amt in Rs.)

|   | For the year ended<br>31-Mar-2019 | For the year ended<br>31-Mar-2018 |
|---|-----------------------------------|-----------------------------------|
| <b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                                   |                                   |
| Profit / (Loss) Before Tax                                      | (4,58,20,546)                     | 22,024                            |
| <b>Adjustment on account of :</b>                               |                                   |                                   |
| Interest Expense  | 72,43,688                         | -                                 |
| Interest Income   | (73,675)                          | (1,39,032)                        |
| Operating Profit / (Loss) Before Working Capital Changes        | <u>(3,86,50,533)</u>              | <u>(1,17,008)</u>                 |
| <b>Movements in Working Capital :</b>                           |                                   |                                   |
| Decrease / (Increase) in Other Non Current Assets               | (19,393)                          | -                                 |
| Decrease / (Increase) in Current Loan                           | (2,65,558)                        | -                                 |
| Decrease / (Increase) in Other Current Financial Assets         | 1,58,46,961                       | (4,47,05,898)                     |
| Decrease / (Increase) in Other Current Assets                   | (44,901)                          | 74,402                            |
| Increase / (Decrease) in Trade Payables                         | 22,05,743                         | (14,723)                          |
| Increase / (Decrease) in Other Current Liabilities              | (1,47,69,131)                     | 4,47,18,286                       |
| Increase / (Decrease) in Current and Non-Current Provisions     | 63,39,104                         | -                                 |
| <b>Cash Flow from Operations</b>                                | <u>(2,93,57,708)</u>              | <u>(44,941)</u>                   |
| Less : Direct Taxes Paid  | 13,241                            | 10,007                            |
| <b>Net Cash Flow From / (Used In) Operating Activities</b>      | <u>(2,93,70,948)</u>              | <u>(54,948)</u>                   |
| <b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>                  |                                   |                                   |
| Changes in Capital Work-In-Progress                             | -                                 | (50,20,481)                       |
| Interest Income Received  | 74,035                            | 1,82,028                          |
| Withdrawal of / (Investment in) Fixed Deposits                  | 18,71,739                         | 3,28,261                          |
| <b>Net Cash Flow From / (Used In) Investing Activities</b>      | <u>19,45,774</u>                  | <u>(45,10,192)</u>                |
| <b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                                   |                                   |
| Proceeds from Borrowings (net)                                  | 3,58,62,128                       | 45,18,432                         |
| Interest Paid   | (72,43,688)                       | -                                 |
| <b>Net Cash Flow From / (Used In) Financing Activities</b>      | <u>2,86,18,440</u>                | <u>45,18,432</u>                  |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b> | <u>11,93,266</u>                  | <u>(46,708)</u>                   |
| Cash & Cash Equivalents at the beginning of the year            | 29,472                            | 76,180                            |
| <b>Cash &amp; Cash Equivalents at the end of the year</b>       | <u>12,22,738</u>                  | <u>29,472</u>                     |



# RAJASTHAN COLLIERIES LIMITED

Cash Flow Statement for the year ended on 31 March 2019

## Notes to Cash Flow Statement:

(i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

| Particulars  | As at 31st March, 2019 | As at 31st March, 2018 |
|--|------------------------|------------------------|
| Cash and cash equivalents as per Balance Sheet (Refer note 2(d)) | 12,22,738              | 29,472                 |

(ii) As per the amendment in "Ind AS 7 Statement of Cash Flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

| Particulars              | As at 31st March, 2018 | Cash Flows         | Non Cash Changes | As at 31st March, 2019 |
|--------------------------|------------------------|--------------------|------------------|------------------------|
| Non - Current borrowings | -                      | -                  | -                | -                      |
| Current borrowings       | 4,63,55,780            | 3,58,62,128        | -                | 8,22,17,908            |
| <b>Total</b>             | <b>4,63,55,780</b>     | <b>3,58,62,128</b> | <b>-</b>         | <b>8,22,17,908</b>     |

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

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

  
**D. A. Parikh**  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 21-May-2019



For and on behalf of the board of directors of  
**Rajasthan Collieries Limited**

  
**Vinay Prakash**  
Managing Director  
DIN : 03634648

Place : Jaipur  
Date : 15-May-2019

  
**Manish Saxena**  
Director  
DIN : 08280514

# RAJASTHAN COLLIERIES LIMITED

Statement of Changes in Equity for the year ended on 31 March 2019

## A. Equity Share Capital

| Particulars                         | Numbers  | Amt in Rs. |
|-------------------------------------|----------|------------|
| As at 1 <sup>st</sup> April 2017    | 5,00,000 | 50,00,000  |
| Changes in the Equity Share Capital | -        | -          |
| As at 31 <sup>st</sup> March 2018   | 5,00,000 | 50,00,000  |
| Changes in the Equity Share Capital | -        | -          |
| As at 31 <sup>st</sup> March 2019   | 5,00,000 | 50,00,000  |

## B. Other Equity

| Particulars                                   | (Amt in Rs.)      |
|---|-------------------|
|   | Retained Earnings |
| Balance as at 1 <sup>st</sup> April 2017      | (23,15,037)       |
| Add : Total Comprehensive Income for the year | 16,345            |
| As at 31 <sup>st</sup> March 2018             | (22,98,692)       |
| Add : Total Comprehensive Income for the year | (4,58,05,013)     |
| As at 31 <sup>st</sup> March 2019             | (4,81,03,705)     |

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W



**D. A. Parikh**  
Partner  
Membership No. 045501  
Place : Ahmedabad  
Date : 21-May-2019



For and on behalf of the board of directors of  
**Rajasthan Collieries Limited**

  
**Vinay Prakash**  
Managing Director  
DIN : 03634648  
Place : Jaipur  
Date : 15-May-2019

  
**Manish Saxena**  
Director  
DIN : 08280514



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

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Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers.

## g) Property, Plant & Equipments

Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Expenditure incurred relating to project under commissioning for commercial operation of services are classified as Project Development Expenditure and disclosed under fixed assets. The same are allocated to the respective fixed assets on completion of construction / erection of capital assets.

## h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

### Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## i) Employee Benefits

Employee benefits includes salary, wages, gratuity, compensated absences and contribution to provident fund.

### Short Term Employees Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

### Defined Contribution Plans

Retirement benefits in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

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## Defined Benefit Plans

The Company operates a defined benefit gratuity plan. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

## Long Term Employee Benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

## **j) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## **k) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

## **l) Earnings Per Share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

## **m) Taxes on Income**

Tax expense comprises of current income tax and deferred tax.

### i) Current Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

## n) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

### 3 Intangible Assets under Development

|  | Amt in Rs.         |                    |
|--|--------------------|--------------------|
|  | As at              | As at              |
|  | 31-Mar-2019        | 31-Mar-2018        |
| <b>Project Development Expenditure</b> |                    |                    |
| Coal Block Allocation Fees             | 3,44,41,081        | 3,44,41,081        |
| Survey Fees                            | 5,02,500           | 5,02,500           |
| Interest Charges                       | 1,23,51,670        | 1,23,51,670        |
|  | <b>4,72,95,251</b> | <b>4,72,95,251</b> |

### 4 Other Non Current Assets (Unsecured, Considered good)

|  | Amt in Rs.    |             |
|--|---------------|-------------|
|  | As at         | As at       |
|  | 31-Mar-2019   | 31-Mar-2018 |
| Balances with Government Authorities (CENVAT Receivable) | 19,393        | -           |
|  | <b>19,393</b> | <b>-</b>    |

### 5 Cash & Cash Equivalents

|                      | Amt in Rs.       |               |
|----------------------|------------------|---------------|
|                      | As at            | As at         |
|                      | 31-Mar-2019      | 31-Mar-2018   |
| Balances with banks  |                  |               |
| - In Current Account | 12,22,738        | 29,472        |
|                      | <b>12,22,738</b> | <b>29,472</b> |

### 6 Current Loans (Unsecured, considered good)

|                    | Amt in Rs.      |             |
|--------------------|-----------------|-------------|
|                    | As at           | As at       |
|                    | 31-Mar-2019     | 31-Mar-2018 |
| Loans to employees | 2,65,558        | -           |
|                    | <b>2,65,558</b> | <b>-</b>    |

### 7 Other Current Financial Assets (Unsecured, Considered good)

|  | Amt in Rs.         |                    |
|--|--------------------|--------------------|
|  | As at              | As at              |
|  | 31-Mar-2019        | 31-Mar-2018        |
| Fixed Deposits with original maturity over 12 months | -                  | 18,71,739          |
| Other Receivable                                     | 2,88,58,938        | 4,47,05,898        |
| Interest accrued                                     | -                  | 360                |
|  | <b>2,88,58,938</b> | <b>4,65,77,997</b> |

(for dues from the related party, refer note no. 22)

### 8 Other Current Assets (Unsecured, Considered good)

|                          | Amt in Rs.    |             |
|--------------------------|---------------|-------------|
|                          | As at         | As at       |
|                          | 31-Mar-2019   | 31-Mar-2018 |
| Advance against Expenses | 44,901        | -           |
|                          | <b>44,901</b> | <b>-</b>    |



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

## 9 Share Capital

|  | As at 31-Mar-2019 |                  | As at 31-Mar-2018 |                  |
|--|-------------------|------------------|-------------------|------------------|
|  | Numbers           | Amt in Rs.       | Numbers           | Amt in Rs.       |
| <b>Authorised shares</b>                       |                   |                  |                   |                  |
| Equity Shares of Rs. 10/- each                 | 2,50,00,000       | 25,00,00,000     | 2,50,00,000       | 25,00,00,000     |
| <b>Issued, subscribed fully paid-up shares</b> |                   |                  |                   |                  |
| Equity shares of Rs. 10/- each fully paid up   | 5,00,000          | 50,00,000        | 5,00,000          | 50,00,000        |
|  | <b>5,00,000</b>   | <b>50,00,000</b> | <b>5,00,000</b>   | <b>50,00,000</b> |

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

|                                    | As at 31-Mar-2019 |                  | As at 31-Mar-2018 |                  |
|------------------------------------|-------------------|------------------|-------------------|------------------|
|                                    | Numbers           | Amt in Rs.       | Numbers           | Amt in Rs.       |
| <b>Equity shares</b>               |                   |                  |                   |                  |
| At the beginning of the year       | 5,00,000          | 50,00,000        | 5,00,000          | 50,00,000        |
| Issued during the year             | -                 | -                | -                 | -                |
| Outstanding at the end of the year | <b>5,00,000</b>   | <b>50,00,000</b> | <b>5,00,000</b>   | <b>50,00,000</b> |

### b. Terms / rights attached to equity shares

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

### c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

|  | As at 31-Mar-2019 |                  | As at 31-Mar-2018 |                  |
|--|-------------------|------------------|-------------------|------------------|
|  | Numbers           | Amt in Rs.       | Numbers           | Amt in Rs.       |
| <b>Equity Shares</b>   |                   |                  |                   |                  |
| Adani Enterprises Limited<br>(Holding Company with its nominees) | 3,70,000          | 37,00,000        | 3,70,000          | 37,00,000        |
|  | <b>3,70,000</b>   | <b>37,00,000</b> | <b>3,70,000</b>   | <b>37,00,000</b> |

### d. Details of shareholders holding more than 5% shares in the company

|  | As at 31-Mar-2019 |             | As at 31-Mar-2018 |             |
|--|-------------------|-------------|-------------------|-------------|
|  | Numbers           | % holding   | Numbers           | % holding   |
| <b>Equity Shares</b>   |                   |             |                   |             |
| Adani Enterprises Limited<br>(Holding Company with its nominees) | 3,70,000          | 74%         | 3,70,000          | 74%         |
| Rajasthan Rajya Vidhut Utpadan<br>Nigam Limited                  | 1,30,000          | 26%         | 1,30,000          | 26%         |
|  | <b>5,00,000</b>   | <b>100%</b> | <b>5,00,000</b>   | <b>100%</b> |

## 10 Long Term Provisions

|                                | Amt in Rs.        |                   |
|--------------------------------|-------------------|-------------------|
|                                | As at 31-Mar-2019 | As at 31-Mar-2018 |
| Provision for Gratuity         | 36,38,370         | -                 |
| Provision for Leave Encashment | 24,49,385         | -                 |
|                                | <b>60,87,755</b>  | <b>-</b>          |

### Note :

Current and non-current classification is done based on actuarial valuation certificate.



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

## 11 Trade Payables

|  | Amt in Rs.           |                      |
|--|----------------------|----------------------|
|  | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Trade payables   |                      |                      |
| - Total dues of micro and small enterprises (Refer Note 23)      | -                    | -                    |
| - Total dues of creditors other than micro and small enterprises | 22,29,693            | 23,950               |
|  | <b>22,29,693</b>     | <b>23,950</b>        |

(for dues from the related party, refer note no. 22)

## 12 Short Term Borrowings

|                                     | Amt in Rs.           |                      |
|-------------------------------------|----------------------|----------------------|
|                                     | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Unsecured Loan from Holding Company | 8,22,17,908          | 4,63,55,780          |
|                                     | <b>8,22,17,908</b>   | <b>4,63,55,780</b>   |

### Notes :

Unsecured Corporate Loan is received from the holding company for short-term purposes and it carries an interest rate of 12% p.a..

## 13 Short Term Provisions

|                                | Amt in Rs.           |                      |
|--------------------------------|----------------------|----------------------|
|                                | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Provision for Gratuity         | 39,984               | -                    |
| Provision for Leave Encashment | 1,81,709             | -                    |
|                                | <b>2,21,693</b>      | <b>-</b>             |

## 14 Other Current Liabilities

|   | Amt in Rs.           |                      |
|---|----------------------|----------------------|
|   | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Statutory Dues Payable (includes TDS, PF) | 8,09,303             | 1,26,136             |
| Provision for Expenses                    | 2,92,53,600          | 4,47,05,898          |
|   | <b>3,00,62,903</b>   | <b>4,48,32,034</b>   |

(for dues from the related party, refer note no. 22)

## 15 Other Income

|                 | Amt in Rs.                           |                                      |
|-----------------|--------------------------------------|--------------------------------------|
|                 | For the<br>year ended<br>31-Mar-2019 | For the<br>year ended<br>31-Mar-2018 |
| Interest Income |                                      |                                      |
| Fixed Deposits  | 73,675                               | 1,38,869                             |
| Others          | -                                    | 163                                  |
|                 | <b>73,675</b>                        | <b>1,39,032</b>                      |

## 16 Employee Benefits Expense

|                                 | Amt in Rs.                           |                                      |
|---------------------------------|--------------------------------------|--------------------------------------|
|                                 | For the<br>year ended<br>31-Mar-2019 | For the<br>year ended<br>31-Mar-2018 |
| Salaries & Bonus                | 3,28,89,289                          | -                                    |
| Gratuity & Contribution Expense | 24,81,547                            | -                                    |
| Staff Welfare Expenses          | 3,29,938                             | -                                    |
|                                 | <b>3,57,00,774</b>                   | <b>-</b>                             |



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

## 17 Finance Costs

|                        | Amt in Rs.                     |                                |
|------------------------|--------------------------------|--------------------------------|
|                        | For the year ended 31-Mar-2019 | For the year ended 31-Mar-2018 |
| Interest on TDS        | -                              | 30                             |
| Interest on Borrowings | 72,43,688                      | -                              |
| Bank Charges           | 59                             | 352                            |
|                        | <b>72,43,747</b>               | <b>382</b>                     |

## 18 Other Expenses

|                             | Amt in Rs.                     |                                |
|-----------------------------|--------------------------------|--------------------------------|
|                             | For the year ended 31-Mar-2019 | For the year ended 31-Mar-2018 |
| Legal & Professional Fees   | 67,186                         | 13,325                         |
| Travelling & Conveyance     | 28,02,153                      | -                              |
| Communication Expenses      | 4,996                          | -                              |
| Payment to Auditors         |                                |                                |
| Statutory Audit Fees        | 15,000                         | 15,000                         |
| Other Attestation Services  | 12,224                         | 11,000                         |
| Office Expenses             | 41,149                         | -                              |
| Rates and Taxes             | -                              | 77,301                         |
| Other Miscellaneous Expense | 6,992                          | -                              |
|                             | <b>29,49,700</b>               | <b>1,16,626</b>                |

## 19 Income Tax Expense

### a. Calculation of Deferred Tax Liability / Asset (net)

|                                 | Amt in Rs.         |                   |
|---------------------------------|--------------------|-------------------|
|                                 | As at 31-Mar-2019  | As at 31-Mar-2018 |
| <b>Deferred Tax Liabilities</b> | -                  | -                 |
| <b>Deferred Tax Assets</b>      |                    |                   |
| Carried Forward Losses          | 1,19,35,294        | 21,953            |
|                                 | <b>1,19,35,294</b> | <b>21,953</b>     |

In accordance with the Ind AS 22, the net deferred tax assets of Rs. 1,19,35,294/- (Previous Year Rs. 21,953/-) has not been recognised because there is no reasonable certainty as to when the assets can be realised.

### b. Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2019 & 31st March 2018 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

|   | Amt in Rs.           |              |
|---|----------------------|--------------|
|   | 31-Mar-2019          | 31-Mar-2018  |
| Profit Before Tax   | (4,58,20,546)        | 22,024       |
| Tax Rate for Corporate Entity as per Income Tax Act, 1961                 | 26.00%               | 25.75%       |
| <b>Tax Expense as per Income Tax Act, 1961.</b>                           | <b>(1,19,13,342)</b> | <b>5,671</b> |
| Tax on expenses not deductible for tax purpose                            | -                    | 8            |
| Adjustment of earlier years   | 14,125               | -            |
| Current year losses for which no deferred tax asset is recognised         | 1,19,13,342          | -            |
| <b>Income tax recognised in profit and loss account at effective rate</b> | <b>14,125</b>        | <b>5,679</b> |



## RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

### 20 Financial Instruments and Risk Review

#### a. Fair Value Measurement and Hierarchy

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

#### b. Financial Risk Management Objective and Policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents and deposits. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest risk, credit risk and liquidity risk.

##### i) Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk.

The risks arising from interest rate movements arise from borrowings with variable interest rates. For sensitivity analysis, the amount of the liability outstanding at the end of the year is assumed to be outstanding for the whole year. A 50 basis point increase or decrease is used for analysis, which represents management's assessment of the reasonably possible change in interest rate.

| Particulars                      | Amt in Rs.               |                          |
|----------------------------------|--------------------------|--------------------------|
|                                  | As at 31st<br>March 2019 | As at 31st<br>March 2018 |
| Total Borrowings at the year end | 8,22,17,908              | 4,63,55,780              |

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

| Particulars                   | Amt in Rs.               |                          |
|-------------------------------|--------------------------|--------------------------|
|                               | As at 31st<br>March 2019 | As at 31st<br>March 2018 |
| Impact on profit for the year | 4,11,090                 | 2,31,779                 |

##### ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

##### iii) Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

| Particulars                     | Less than          |              |          | More than          |  |
|---------------------------------|--------------------|--------------|----------|--------------------|--|
|                                 | 1 Year             | 1 to 5 Years | 5 years  | Total              |  |
| <b>As at 31st March, 2019 :</b> |                    |              |          |                    |  |
| Borrowings                      | 8,22,17,908        | -            | -        | 8,22,17,908        |  |
| Trade Payables                  | 22,29,693          | -            | -        | 22,29,693          |  |
| <b>Total</b>                    | <b>8,44,47,601</b> | <b>-</b>     | <b>-</b> | <b>8,44,47,601</b> |  |
| <b>As at 31st March, 2018 :</b> |                    |              |          |                    |  |
| Borrowings                      | 4,63,55,780        | -            | -        | 4,63,55,780        |  |
| Trade Payables                  | 23,950             | -            | -        | 23,950             |  |
| <b>Total</b>                    | <b>4,63,79,730</b> | <b>-</b>     | <b>-</b> | <b>4,63,79,730</b> |  |

## iv) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The company monitors capital using gearing ratio, which is net debt (borrowings as detailed in note 12 less cash and bank balances) divided by total capital plus debt.

| Particulars                                  | Amt in Rs.         |                    |
|--|--------------------|--------------------|
|  | As at 31-Mar-2019  | As at 31-Mar-2018  |
| Total Borrowings (Refer note 12)             | 8,22,17,908        | 4,63,55,780        |
| Less: Cash and Bank Balance (Refer note 5)   | 12,22,738          | 19,01,571          |
| <b>Net Debt (A)</b>                          | <b>8,09,95,170</b> | <b>4,44,54,209</b> |
| Total Equity (B)                             | (4,31,03,705)      | 27,01,308          |
| <b>Total Equity and Net Debt (C = A + B)</b> | <b>3,78,91,465</b> | <b>4,71,55,517</b> |
| Gearing ratio                                | -                  | 94%                |

## 21 Contingent Liabilities & Commitments

|  | Amt in Rs.        |                   |
|--|-------------------|-------------------|
|  | As at 31-Mar-2019 | As at 31-Mar-2018 |
| Contingent Liabilities, to the extent not provided for Commitments                           | -                 | -                 |
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | -                 | -                 |
|  | -                 | -                 |

## 22 Related Parties

|  |   |   |  |
|--|---|---|--|
| Holding Company                            | : | Adani Enterprises Limited                     |  |
| Joint Venturer                             | : | Rajasthan Rajya Vidhyut Utpadan Nigam Limited |  |
| Subsidiary Company                         | : | Nil   |  |
| Fellow Subsidiary                          | : | Nil   |  |
| <i>(with transactions during the year)</i> |   |   |  |
| Associates                                 | : | Nil   |  |
| Key Management Personnel                   | : | Mr. Vinay Prakash                             | Mr. Satya Prakash (w.e.f. 04-May-2018) |
|  |   | Mr. R. K. Jain                                | Mr. Manish Saxena (w.e.f. 26-Dec-2018) |
|  |   | Mr. Rajendra Ingale                           | Mr. Sanjay Malhotra (Upto 30-Aug-2018) |
|  |   | Mr. Naresh Pal Gangwar (w.e.f. 26-Dec-2018)   |  |
|  |   | Mr. Pallakonda Ramesh (w.e.f. 30-Nov-2018)    |  |
|  |   | Mr. Rajesh Kumar Agrawal (Upto 04-May-2018)   |  |
|  |   | Mr. Nageen Kumar Kothari (Upto 30-Nov-2018)   |  |
|  |   | Mr. Ram Avtar Patodia (Upto 15-Nov-2018)      |  |



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

| Information in respect of Related Parties                      | Amt in Rs.<br>31-Mar-2019 | Amt in Rs.<br>31-Mar-2018 |
|--|---------------------------|---------------------------|
| <u>Loan Received</u>   |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 7,98,69,319               | 45,18,432                 |
| <u>Loan Repaid</u>   |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 4,40,07,191               | -                         |
| <u>Transfer In/Out of Employee Liabilities</u>                 |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 62,88,174                 | -                         |
| <u>Interest Expense</u>  |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 72,43,688                 | 50,20,481                 |
| <u>Unsecured Loan Balance</u>                                  |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 8,22,17,908               | 4,63,55,780               |
| <u>Other Receivables</u>                                       |                           |                           |
| Holding Company : Adani Enterprises Limited                    | 2,80,70,606               | -                         |
| <u>Other Payables</u>  |                           |                           |
| Joint Venturer : Rajasthan Rajya Vidhyut Utpadan Nigam Limited | 2,88,52,447               | -                         |

## 23 Disclosures under MSMED Act

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## 24 Retirement Benefits

### (a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

| Particulars   | Gratuity             |                      |
|---|----------------------|----------------------|
|   | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| <b>i. Change in Obligations during the year</b>           |                      |                      |
| Present Value of Obligations at the beginning of the year | -                    | -                    |
| Current Service Cost                                      | 5,81,236             | -                    |
| Interest Cost   | 2,20,704             | -                    |
| Benefits paid   | -                    | -                    |
| Actuarial (Gains) / Losses                                | (29,658)             | -                    |
| Acquisition Adjustment                                    | 29,06,072            | -                    |
| Present Value at the end of the year                      | <b>36,78,354</b>     | -                    |



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

|  | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
|--|----------------------|----------------------|
| <b>ii. Net Asset / (Liability) recognised in the Balance Sheet</b>         |                      |                      |
| Present Value of Obligations   | 36,78,354            | -                    |
| Fair Value of Plan Assets  | -                    | -                    |
| Net Asset / (Liability)  | <b>(36,78,354)</b>   | -                    |
| <b>iii. Expense recognised in the Statement of Profit and Loss</b>         |                      |                      |
| Current Service Cost   | 5,81,236             | -                    |
| Interest Cost  | 2,20,704             | -                    |
| Expected Return on Plan Assets   | -                    | -                    |
|  | <b>8,01,940</b>      | -                    |
| <b>iv. Expense recognised in Other Comprehensive Income</b>                |                      |                      |
| Actuarial (Gains) / Losses   | (29,658)             | -                    |
| Return on plan assets, excluding amount recognised in net interest expense | -                    | -                    |
|  | <b>(29,658)</b>      | -                    |

## v. Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

|  | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
|--|----------------------|----------------------|
| Discount Rate                          | 7.60%                | -                    |
| Expected Rate of Return on Plan Assets | NA                   | -                    |
| Mortality / Pre-retirement             | Ultimate             | -                    |
| Turnover Rate                          | 1.00%                | -                    |
| Rate of Escalation in Salary (p.a.)    | 8.00%                | -                    |

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

| Particulars                   | Increase in assumptions |                      | Decrease in assumptions |                      |
|-------------------------------|-------------------------|----------------------|-------------------------|----------------------|
|                               | As at<br>31-Mar-2019    | As at<br>31-Mar-2018 | As at<br>31-Mar-2019    | As at<br>31-Mar-2018 |
| Discount Rate (- / + 1%)      | 31,86,526               | -                    | 42,65,746               | -                    |
| Salary Growth Rate (- / + 1%) | 42,57,511               | -                    | 31,84,003               | -                    |
| Attrition Rate (- / + 50%)    | 36,66,222               | -                    | 36,90,791               | -                    |
| Mortality Rate (- / + 10%)    | 36,78,129               | -                    | 36,78,579               | -                    |

## vi. Maturity Profile of Obligations

The average duration of the defined benefit plan obligation at the end of the reporting period is 15 years . The expected maturity analysis of gratuity benefits is as follows :

|                       | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
|-----------------------|----------------------|----------------------|
| Less than a year      | 39,984               | -                    |
| Between 2 to 5 years  | 6,29,357             | -                    |
| Between 6 to 10 years | 3,81,175             | -                    |
| Beyond 10 years       | 1,17,32,910          | -                    |

vii. As defined benefit plans of both i.e. Gratuity and Leave Encashment are non-funded, no data is presented as to fair value of plan assets and asset liability matching.



# RAJASTHAN COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2019

## (b) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis.

## (c) Other Long Term Employee Benefits :

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2019 is Rs. 26,31,094/-.

## 25 Events occurring after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognized or reported that are not already disclosed.

## 26 Earning Per Share (EPS)

|  | Amt in Rs.                     |                                |
|--|--------------------------------|--------------------------------|
|  | For the year ended 31-Mar-2019 | For the year ended 31-Mar-2018 |
| Profit / (Loss) for calculation of basic and diluted EPS             | (4,58,34,671)                  | 16,345                         |
| Weighted average number of equity shares for calculating Basic EPS   | 5,00,000                       | 5,00,000                       |
| Weighted average number of equity shares for calculating Diluted EPS | 5,00,000                       | 5,00,000                       |
| Face value of equity shares  | 10                             | 10                             |
| Basic Earning Per Share (in Rupees)                                  | (91.67)                        | 0.03                           |
| Diluted Earning Per Share (in Rupees)                                | (91.67)                        | 0.03                           |

## 27 Standards issued but not yet effective

The amendments to standards and new standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs ("MCA") has issued new standards / certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2019. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended / issued the following standards:

1. Ind AS 116 - Lease
2. Ind AS 12 - Income Taxes
3. Ind AS 19 - Plan Amendment, Curtailment or Settlement

These amendments / new issued standards are effective for annual periods beginning on or after 1st April 2019. The Company will adopt these amendments, if applicable, from their applicability date. The Company is assessing the potential effect of the amendments / new issued standards on its financial statements. It does not expect any major recognition and measurement impact.

## 28 Other Disclosures

- (a) The financial statements were approved for issue by the board of directors on 15th May, 2019.
- (b) Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest rupee.

As per our report of even date  
For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

  
D. A. Parikh

Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 21-May-2019



For and on behalf of the board of directors of  
**Rajasthan Collieries Limited**

  
Vinay Prakash  
Managing Director  
DIN : 03634648

Place : Jaipur  
Date : 15-May-2019

  
Manish Saxena  
Director  
DIN : 08280514