

## ***INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENT***

**To The Members Of Pradhin Limited**

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

### **Opinion**

We have audited the accompanying standalone financial statements of Pradhin Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 March 31, 2021, 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 thereunder, 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.

### **Emphasis of Matter**

We draw attention to Note 29 of accompanying standalone financial statements, wherein the Company has described its impact assessment due to the COVID-19 pandemic. As stated in the



said note, eventual outcome of the impact of the global health pandemic may be different from those estimated as on date of the approval of standalone financial statements. Our opinion is not modified in respect of this matter.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### **Provisions and contingent liabilities relating to taxation and litigations**

See note 26 and 30 to the standalone financial statements

The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax and general legal proceedings arising in the regular course of business.

As at the year ended 31 March 2021, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company, because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.

### **How the matter was addressed in our audit**

Our audit procedures included:

- Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation and litigations.
- Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and reassessment of contingent liabilities.
- Involving our tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.
- Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.





### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the director's report but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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. When we read director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Responsibilities for the Audit of the Standalone Financial Statements**

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.
- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably 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.

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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". Our report expresses an unmodified opinion on the

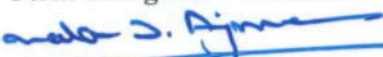




adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to its directors during the year.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No.30 to the Financial Statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. The Company has failed to transfer Rs.255/- being the amount of unpaid dividend pertaining to year 2013-14 to the Investor Education and Protection Fund.

For,  
RMJ & Associates LLP  
Chartered Accountants  
Firm's Reg No. - W100281



Malav J Ajmera  
Partner

Mem. No. 114351

Place : Ahmedabad

Date : 25<sup>th</sup> June 2021



UDIN:- 21114351AAAAJW8741

UDIN Date:- 25<sup>th</sup> June 2021

**PRADHIN LIMITED**  
**FORMERLY KNOWN AS: BHAGWANDAS METALS LIMITED**  
 Regd.Off. New No. 54, Old No. 61, Sembudoss Street, Chennai 600 001  
 CIN: L15100TN1982PLC009418

**Statement of Standalone Audited Financial Results for the year Ended 31st March 2021**

(Rs. in lakhs except per share data)

Sr. No.	Particulars	Quarter Ended			Year to date figure	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue From Operations	2,188.54	-	121.02	2,396.36	11,446.10
II	Other Income	(6.50)	-	(0.00)	5.00	5.78
	<b>Total Income (I+II)</b>	<b>2,182.04</b>	<b>-</b>	<b>121.02</b>	<b>2,401.36</b>	<b>11,451.88</b>
III	<b>EXPENSES</b>					
	Cost of materials consumed	-	-	-	-	-
	Purchases of Stock-in-Trade	2,178.49	-	122.30	2,382.34	11,319.23
	Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	-	-	-	-	-
	Employee benefits expense	1.07	0.99	8.17	4.38	33.26
	Finance costs	0.48	0.00	0.01	0.51	0.06
	Depreciation and amortization expenses	0.02	0.01	0.01	0.04	0.07
	Other expenses	23.99	4.05	9.93	35.33	30.99
	<b>Total expenses (III)</b>	<b>2,204.05</b>	<b>5.05</b>	<b>140.42</b>	<b>2,422.59</b>	<b>11,383.61</b>
IV	<b>Profit/(loss) before exceptional items and tax (I-III)</b>	<b>(22.01)</b>	<b>(5.05)</b>	<b>(19.40)</b>	<b>(21.23)</b>	<b>68.27</b>
V	Exceptional Items	-	-	-	-	-
VI	<b>Profit/ (loss) before tax(IV-V)</b>	<b>(22.01)</b>	<b>(5.05)</b>	<b>(19.40)</b>	<b>(21.23)</b>	<b>68.27</b>
VII	Income Tax expenses:					
	(1) Current tax	1.16	(1.31)	(20.40)	1.36	4.94
	(2) Deferred tax	0.11	-	14.94	0.11	14.94
VIII	<b>Profit (Loss) for the period (VI-VII)</b>	<b>(23.28)</b>	<b>(3.74)</b>	<b>(13.94)</b>	<b>(22.70)</b>	<b>48.39</b>
IX	<b>Other Comprehensive Income</b>					
	A. (i) Items that will not be reclassified to profit or loss	(30.00)	-	-	(30.00)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	7.80	-	-	7.80	-
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
X	<b>Total Other Comprehensive Income/(Loss) (Net of Tax)</b>	<b>(45.48)</b>	<b>(3.74)</b>	<b>(13.94)</b>	<b>(44.90)</b>	<b>48.39</b>
XI	<b>Paid up equity share capital (Face Value of Rs.10/- each)</b>	<b>364.69</b>	<b>364.69</b>	<b>364.69</b>	<b>364.69</b>	<b>364.69</b>
XII	<b>Earnings per equity share</b>					
	(1) Basic	(0.64)	(0.10)	(0.38)	(0.62)	1.33
	(2) Diluted	(0.64)	(0.10)	(0.38)	(0.62)	1.33

**Note :**

- The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25th June, 2021.
- The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from April 1, 2018. Based on the assessment done by the Management, there is no material impact on the revenue recognized for the quarter and year ended 31st March 2021.
- Figures of previous periods have been regrouped/ reclassified wherever necessary to conform to current period classification.
- The figures of the quarter ended March 31, 2021 and March 31, 2020 are balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial years.



For and on behalf of the Board of Directors  
 Pradhin Limited

*Ajay Chaudhari*  
 Ajay Chaudhari  
 Managing Director  
 DIN : 00266186

Place: Ahmedabad  
 Date: 25th June, 2021



**Statement of Assets, Equity and Liabilities**

(Rs. in Lakhs)

	Particulars	As at	
		31.03.2021 Audited	31.03.2020 Audited
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	1.14	1.19
	(b) Capital Work-in-Progress		
	(c) Intangible Assets		
	(d) Financial Assets		
	(i) Investments	-	30.00
	(ii) Trade Receivables	-	-
	(iii) Loans	-	-
	(iv) Other financial assets	29.63	29.69
	(e) Deferred tax asset	8.26	0.57
	(f) Other Non-Current Assets	1.03	1.03
	<b>Total Non-Current Assets</b>	<b>40.06</b>	<b>62.48</b>
2	<b>Current Assets</b>		
	(a) Inventories	-	-
	(b) Financial Assets	-	-
	(i) Investments	-	-
	(ii) Trade Receivables	606.03	679.68
	(iii) Cash and Cash Equivalents	3.16	13.37
	(iv) Bank Balance other than (iii) above	-	4.18
	(v) Other financial assets	-	-
	(c) Other Current Assets	12.86	40.81
	<b>Total Current Assets</b>	<b>622.05</b>	<b>738.05</b>
	<b>Total Assets</b>	<b>662.11</b>	<b>800.52</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	(a) Equity Share Capital	364.69	364.69
	(b) Other Equity	220.05	264.95
	<b>Total Equity</b>	<b>584.73</b>	<b>629.64</b>
2	<b>Liabilities</b>		
	<b>(1) Non Current Liabilities</b>		
	(a) Financial Liabilities		
	- Borrowings	-	-
	- Trade Payables	-	-
	- Other Financial Liabilities	-	-
	(b) Provisions	-	-
	(c) Deferred Tax Liabilities (Net)	-	-
	(d) Other non-current liabilities	-	-
	<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
	<b>(2) Current Liabilities</b>		
	(a) Financial Liabilities		
	- Borrowings	-	-
	- Trade Payables	2.86	60.91
	- Other Financial Liabilities	-	-
	(b) Other Current Liabilities	74.52	98.50
	(c) Provisions	-	11.47
	(d) Current Tax Liabilities (net)	-	-
	<b>Total Current Liabilities</b>	<b>77.38</b>	<b>170.89</b>
	<b>Total Liabilities</b>	<b>77.38</b>	<b>170.89</b>
	<b>Total Equity and Liabilities</b>	<b>662.11</b>	<b>800.52</b>



For and on behalf of the Board of Directors

Pradhin Limited

*(Signature)*

Ajay Chaudhari  
Managing Director

DIN : 00266186

Place: Ahmedabad

Date: 25th June, 2021



**PRADHIN LIMITED**  
**FORMERLY KNOWN AS: BHAGWANDAS METALS LIMITED**  
 Regd.Off. New No. 54, Old No. 61, Sembudoss Street, Chennai 600 001  
 CIN: L15100TN1982PLC009418  
 Statement of Audited Standalone Cash Flow For the year ended 31st March,2021

( Rs. in Lakhs )

Particulars	31-Mar-21	31-Mar-20
<b>A. Cash Flow From Operating Activities:</b>		
Profit before tax	(21.23)	68.27
Adjustments for:	-	-
Depreciation & Amortization expense	0.04	0.07
Finance Cost	0.51	0.06
Interest Income classified as investing cash flows	(2.02)	(0.02)
Profit on sale of Property, Plant & Equipment	-	(1.76)
Provision for dimunition in the value of investment	-	-
<b>Operating profit before working capital changes</b>	<b>(22.70)</b>	<b>66.62</b>
Adjustments for		
(Increase)/Decrease in Sundry Debtors and other Current assets	105.79	1,021.11
(Increase)/Decrease in Inventories	-	-
Increase/(Decrease) in Current Liabilites	(23.97)	11.75
Increase/(Decrease) in Financial Assets	0.06	9.29
Increase/(Decrease) in Provision	(11.47)	(7.16)
Increase/(Decrease) in Trade Payables	(58.06)	(1,088.39)
Increase/(Decrease) in Other Non Current assets	-	-
<b>Cash generated from operations</b>	<b>(10.35)</b>	<b>13.22</b>
Direct taxes paid (net of refunds)	1.36	4.94
<b>Net cash from operating activities</b>	<b>(11.71)</b>	<b>8.28</b>
<b>B. Cash Flow From Investing Activities</b>		
Interest Income	2.02	0.02
Investments in Property, Plant & Equipment	-	(0.08)
Profit on sale of Car	-	1.76
Change in Property, Plant & Equipment	-	0.52
<b>Net cash flows used in investing acitivities</b>	<b>2.02</b>	<b>2.22</b>
<b>C. Cash Flows From Financing Activities</b>		
Interest paid	(0.51)	(0.06)
Increase/(Decrease) in Non Current Liabilites	-	-
<b>Net cash flow inflow / (outflow) from financing activities</b>	<b>(0.51)</b>	<b>(0.06)</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>(10.20)</b>	<b>10.44</b>
Cash and cash equivalents at the beginning of the year	13.37	2.93
Cash and cash equivalents at the end of the year	3.16	13.37

Note: The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.



For and on behalf of the Board of Directors

Pradhin Limited

*(Signature)*

Ajay Chaudhari

Managing Director

DIN : 00266186

Place: Ahmedabad

Date: 25th June,2021