



Head Office:

C/52, Ground Floor,
Baramunda Housing Board Colony (HIG)
Bhubaneshwar, Pin-751 003, Odisha, India
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E-mail:nagandassociates@gmail.com

Dhanbad Branch Office:

Gali No. 11, Jai Prakash Nagar,
P.O.:C.M.R.I., Dhanbad, Pin: 826001

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To

The Board of Directors,
Bharat Coking Coal Limited
Koila Bhawan, Koila Nagar
Dhanbad-826005.

Dear Sirs,

1. We, Nag & Associates, Chartered Accountants ("we" or "us" or "Nag & Associates") have examined the attached Restated Financial Information of Bharat Coking Coal Limited (the "**Company**" or the "**Issuer**"), comprising the Restated Statement of Assets and Liabilities as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the six months period ended September 30, 2025, six months period ended September 30, 2024, years ended March 31, 2025, March 31, 2024 and March 31, 2023, the Summary Statement of Material Accounting Policies, and Other Explanatory Notes (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on December 08, 2025 for the purpose of inclusion in the red herring prospectus ("**RHP**")/ Prospectus (collectively referred to as "**Offer Documents**") prepared by the Company in connection with its proposed initial public offer of equity shares of face value ₹ 10 each ("**Offering**") prepared in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**");

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- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Financial Information

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer documents to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Jharkhand situated at Ranchi in connection with the proposed Offering. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2 of the Restated Financial Information. The responsibility of Board of Directors of the Company includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

- 3. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with the company in accordance with our engagement letter dated February 01, 2025 in connection with the proposed Offering of the Company;
 - b) The Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

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- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d) The requirements of Section 26 of the Act, and the ICDR Regulations.

Our work was performed solely to assist the Company in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offering.

Restated Financial Information

4. These Restated Financial Information have been compiled by the management from:
 - (a) the audited special purpose financial statements of the Company as at and for the six months period ended September 30, 2025, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on December 08, 2025.
 - (b) the audited special purpose financial statements of the Company as at and for the six months period ended September 30, 2024, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on December 08, 2025.
 - (c) the audited financial statements of the Company as at and for the year ended March 31, 2025, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on April 23, 2025.

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(d) the audited financial statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on April 24, 2024.

(e) the audited financial statements of the Company as at and for the year ended March 31, 2023 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on April 24, 2023.

5. For the purpose of our examination, we have relied on:

a) the auditor's report issued by us dated December 08, 2025 on the audited special purpose financial statements of the Company as at and for the six months period ended September 30, 2025 as referred in Paragraph 4 above.

b) the auditor's report issued by us dated December 08, 2025 on the audited special purpose financial statements of the Company as at and for the six months period ended September 30, 2024 as referred in Paragraph 4 above.

c) the auditor's report issued by us dated April 23, 2025 on the audited financial statements of the Company as at and for the year ended March 31, 2025 as referred in Paragraph 4 above.

d) the auditor's report issued by us dated April 24, 2024 on the audited financial statements of the Company as at and for the year ended March 31, 2024 as referred in Paragraph 4 above.

e) the Auditor's report issued by M/s N.C.Banerjee & Co., Chartered Accountants dated April 24, 2023 on the audited financial statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4 above.

f) the audit reports on the financial statements issued by us and M/s N.C.Banerjee & Co., referred in Para 5(a), (b), (c), (d) and (e) above, were not modified and included certain 'Emphasis of

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Matter' and 'other matters' in the respective auditor's report detailed hereunder which do not entail any adjustments in the Restated Financial Information:

• **For the year ended March 31, 2025**

Emphasis of Matters -

"We draw attention to the following notes/matters to the Financial Statements:

(a) Balances under trade receivables, trade payables, loans & advances and other current assets/liabilities as on the Balance Sheet date, have not been confirmed as yet and reconciliation with respective ledger balances are pending, the consequential impact thereof, if any in the financial statements, are not ascertainable (Refer Note No. 4.3, 8.3, 4.2).

(b) The accumulated amount of input tax credit of ₹17507.80 Million, represents the GST paid on input materials/services that can be utilized against the GST on output. GST liability on coal sales is 5% whereas the inputs are being taxed at 18% and GST Input tax credit getting accumulated at 13%. This accumulation has occurred due to inverted tax structure. Utilization of accumulated ITC which has been availed in compliance with various GST provisions can be utilized in the future without any time limit. The amount is not refundable in terms of notifications issued in this respect and is therefore available only for utilization against output tax in future. Consequential impact and adjustments thereof and pending determination of amount as such cannot be commented upon by us (Refer Note No. 6.2).

Our opinion is not modified in respect of the above matters."

Other Matters -

" 1. We did not audit the standalone financial statements/information of 15 areas/ units included in the financial statements of the Company whose financial statements /financial information reflect total assets of ₹ 12,3314.10 million as at 31st March 2025 and total

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income of ₹17,8283.60 million for the year ended on that date, as considered in the financial statements. The financial statements/ information of these area / unit has been audited by the area / unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these area / units, is based solely on the report of such area / unit auditors.

Our opinion is not modified in respect of this matter."

• For the year ended March 31, 2024

Emphasis of Matters -

"We draw attention to the following: Pending confirmation/ reconciliation of certain balances under Trade Receivables, the consequential impact thereof, if any on the financial statements are not ascertainable.

Our opinion is not modified in respect of the above matters."

Other Matters -

" We did not audit the standalone financial statements/information of 15 area/ units included in the financial statements of the Company whose financial statements / financial information reflect total assets of ₹11,1522.90 million as at 31 March, 2024 and total income of ₹17,5949.90 million for the year ended on that date, as considered in the financial statements. The financial statements/ information of these area / unit have been audited by the area / unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these area / units, is based solely on the report of such area / unit auditors.

Our opinion is not modified in respect of this matter."

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• **For the year ended March 31, 2023**

Emphasis of Matters -

“We draw attention to the following: Pending confirmation/ reconciliation of certain balances under Trade Receivables, the consequential impact thereof, if any on the financial statements are not ascertainable.

Our opinion is not modified in respect of the above matters.”

Other Matters -

“ We did not audit the Standalone financial statements/information of 17 area/ units included in the financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 5,7638.60 million as at 31st March, 2023 and total income of ₹ 13,5761.70 million for the year ended on that date, as considered in the financial statements. The financial statements/ information of these area / unit have been audited by the area / unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these area / units, is based solely on the report of such area / unit auditors.

Our opinion is not modified in respect of this matter.”

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively in the six months period ended September 30, 2024, financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended September 30, 2025;
- b) do not contain any qualifications requiring adjustments. However, certain observations in respective years' Auditor's Report on financial statements, which do not require any corrective

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adjustments in the Restated Financial Information, have been disclosed in '**Annexure-I**' to the Restated Financial Information as under:

- i. Observations as per the Companies (Auditor's Report) Order, 2020 (CARO 2020) for financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act;
- ii. Information in respect of the directions and additional directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act 2013 for financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to September 30, 2025.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, other Assurance and Related Services Engagements" issued by ICAI.

9. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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12. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Jharkhand situated in Ranchi, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For Nag & Associates

Chartered Accountants

Firm Registration No:312063E

Place: Dhanbad

Dated: December 08, 2025

UDIN: 25050531BMLKRG3595



(CA Indranath Nag)

Partner

Membership No.050531