INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

MANGALORE COAL TERMINAL PRIVATE LIMITED

Report on the Financial Statements

Opinion:

We have audited the accompanying financial statements of **MANGALORE COAL TERMINAL PRIVATE LIMITED ("the Company")** which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year ended and notes to the financial statements and a summary of the significant accounting policies and other explanatory information ("financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2021 and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

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Information other than Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report 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 financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances; but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

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- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

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

Report on Other Legal Regulatory Requirements:

1. 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 purpose of our audit.

   b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.

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c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

e) On the basis of written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2021 from being appointed as Director in terms of sub-section (2) of section 164 of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. 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 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 does not have any pending litigations which impacts its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which they were any material foreseeable losses under the applicable law or accounting standards.

iii) There were no amounts due to be transferred to the Investor Education and Protection Fund by the company during the year.

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2. 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 the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **M/s. KARTHIKEYAN & JAYARAM**
Chartered Accountants
(Registration No. 007570S)

(A.PARVATHI)
Partner

M.No.238586
Place: Coimbatore
Date:13th May 2021.

UDIN: 20238586AAAAHZ9961

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Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **MANGALORE COAL TERMINAL PRIVATE LIMITED** of even date)

Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MANGALORE COAL TERMINAL PRIVATE LIMITED** ("the Company") as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

For **M/s. KARTHIKEYAN & JAYARAM**
Chartered Accountants
(Registration No. 007570S)

(A.PARVATHI)
Partner

M.No.238586
Place: Coimbatore
Date:13th May 2021.

UDIN: 20238586AAAAHZ9961

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Annexure A to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirement section of our report of even date)

1. In respect of its Fixed Assets:
    a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
    b. The fixed assets were physically verified by the management in a phased periodical manner, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable, and no material discrepancies have been noticed on such physical verification.
    c. The title deeds of immovable properties are held in the name of the company.

2. In respect of Inventories:
    a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
    b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
    c. The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to books records were not material.

3. In respect of the loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013
    a. The Company has granted loans to parties covered in the Register maintained under section 189 of the Act.

4. The company has granted any loan to its director and has complied with the provisions of Section 185 and Section 186 of Companies Act, 2013 in respect of Investments made.

5. According to the information and explanation given to us, the company has not accepted deposits from the public.

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6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of the section 148 of the Companies Act, 2013.

7. According to the information and explanations given to us, in respect of statutory dues:
   a. The company generally has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Duty of customs, Duty of Excise, Income-tax, Sales-tax, Wealth tax, Service tax, Cess and other statutory dues with the appropriate authorities.
   b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Sales tax and other statutory dues were outstanding, as at 31.03.2021 for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to it banks, financial institutions, Govt, etc.

9. The company has not raised any money by way of Term loans during the year. The company has not raised any money by way of initial public offer or further public offer.

10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

11. The provision of Sec.197 managerial remuneration does not apply to Private limited Companies. Therefore Clause (11) of the order is not applicable to the company.

12. In our opinion, the Company is not a Nidhi Company, therefore, the provisions of clause (12) is not applicable to the Company.

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13. In our opinion, all the Related Party Transactions entered into by the Company during the year are in compliance with the provisions of section 188 of the Act and the details thereof have been disclosed in the Financial Statement as required by the Accounting Standards and the Act.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares. The company has issued Non-Convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause (xv) of the Order is not applicable.

16. According to the information and explanations given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **M/s. KARTHIKEYAN & JAYARAM**
Chartered Accountants
(Registration No. 007570S)

(A.PARVATHI)
Partner

M.No.238586
Place: Coimbatore
Date: 13th May 2021

UDIN: 20238586AAAAHZ9961

KARTHIKEYAN & JAYARAM ★ CHARTERED ACCOUNTANTS ★
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Mangalore Coal Terminal Private Limited

Balance Sheet

(All amounts in INR Lakhs unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	2	98.96	117.53
RoU Asset (IND AS 116)	3	8,536.31	8,877.66
Intangible Assets	2(a)	23,246.50	28,341.70
Other non-current assets	4	11,748.85	166.30
Total non-current assets		43,630.62	37,503.20
Current assets			
Inventories	6	674.02	443.35
Financial assets			
i. Trade receivables	7(a)	850.47	869.85
ii. Cash and cash equivalents	7(b)	1,165.03	1,288.91
iii. Bank balances other than Cash and cash equiv	7(c)	643.28	342.40
iv. Other financial assets	7(d)	499.87	360.37
Current Tax asset	8	259.35	93.04
Other current assets	9	4,637.05	5,202.10
Total current assets		8,729.08	8,600.01
Total Assets		52,359.70	46,103.21
Equity and liabilities			
Equity			
Equity share capital	10	3,401.00	3,401.00
Other equity	11	(11,938.48)	(7,545.48)
Total equity		(8,537.48)	(4,144.48)
Liabilties			
Non-Current liabilities			
Financial Liabilities			
i. Borrowings	12(a)	43,386.17	30,909.76
ii.Employee Benefit Obligations	13	21.63	16.36
iii.Other financial liabilities-non current	12(b)	8,849.51	10,431.32
Deferred tax liability	5	6,447.71	7,344.19
Total non-current liabilities		58,705.02	48,701.63
Current liabilities			
Financial liabilities			
i. Trade payables	12(c)		
- Total outstanding dues of creditors who are micro and small enterprises		68.76	115.18
- Total outstanding dues of creditors other than micro and small enterprises		473.56	563.41
ii. Other financial liabilities	12(d)	1,608.05	797.31
Employee Benefit Obligations	13	0.24	0.18
Other current liabilities	14	41.56	69.97
Total current liabilities		2,192.16	1,546.05
Total liabilities		60,897.19	50,247.69
Total equity and liabilities		52,359.70	46,103.21
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As per our report of even date
For M/s Karthikeyan & Jayaram
Chartered Accountants

A. Parvathi
Partner
M.No.238586

Place: Coimbatore
Date: 13-05-2021

For and on behalf of the Board

Chandra Prakash Somani
Whole Time Director
DIN: 08955487

Prasad Rane
Director
DIN: 08427066

K. Nagabharana Pai
Nagabharana Pai
CFO. PAN -AVAPP9915G

Vidhi Shah
Company Secretary
(M.No. - A40080)

Place - Mumbai
Date -12-05-2021

Mangalore Coal Terminal Private Limited
Statement of profit and loss

(All amounts in INR Lakhs unless otherwise stated)

Particulars	Note No	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	15	8,673.94	3,843.56
Other income	16	541.91	1,967.98
Total income		9,215.85	5,811.54
Expenses			
Operational expenses	17	4,913.65	1,943.85
Employee benefit expense	18	223.23	142.01
Depreciation and amortisation expense	2	5,187.21	2,418.39
Depreciation on RoU	3	341.35	142.23
Other expenses	19	504.64	136.25
Finance costs	20	3,608.87	2,228.80
Total expenses		14,778.95	7,011.53
Profit before tax		(5,563.10)	(1,199.99)
Income tax expense			
Current tax	21	-	-
Deferred tax		(903.67)	7,348.57
Total tax expense		(903.67)	7,348.57
Profit for the period		(4,659.43)	(8,548.57)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement of Post employee benefits		0.90	(0.72)
Income tax relating to;			
Re-measurement of Post employee benefits		(0.25)	0.19
Items that will be reclassified to profit and loss			
Other comprehensive income for the period, net of tax		0.65	(0.53)
Total comprehensive income for the period		(4,658.78)	(8,549.10)
Earnings per equity share (basic and diluted) [Nominal value per share of INR 10 each] for profits from operations attributable to the owners of the Company			
Basic & Diluted earnings per share	22	(13.70)	(25.14)
Significant Accounting Policies	1		

The accompanying notes form an integral part of financial statements

As per our report of even date
For M/s Karthikeyan & Jayaram
Chartered Accountants

KARTHIKEYAN & JAYARAM CHARTERED ACCOUNTANTS GKM Towers, 141, Alagesan Road, Saibaba Colony, Coimbatore - 641 011 Ph:0422-2447753, 4385853

A. Parvathi
Partner
M.No.238586

Place: Coimbatore
Date: 13-05-2021

For and on behalf of the Board

Chandra Prakash Somani
Whole Time Director
DIN: 08955487

Prasad Rane
Director
DIN: 08427066

K. Nagabharana Pai

Nagabharana Pai
CFO. PAN -AVAPP9915G

Vidhi Shah
Company Secretary
(M.No. - A40080)

Place - Mumbai
Date -12-05-2021

COAL TERMINAL PRIVATE LIMITED

Mangalore Coal Terminal Private Limited

Statement of Cash Flows

(All amounts in INR Lakhs unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit before income tax	(5,563.10)	(1,199.99)
Adjustment for:		
Depreciation	5,528.56	2,560.61
Interest expense on loans borrowed - IndAS	973.24	2,031.13
Amortisaiton Processing Fee- IND AS	28.05	-
Amortisaiton Financial Guarantee Fee- IND AS	24.95	-
Discounting income on Loans borrowed - IndAS	-	(1,924.87)
Interest expense on Borrowings	1,771.01	195.71
Changes in operating assets and liabilities		
Increase/(Decrease) in trade payables	(136.28)	678.60
Increase/(Decrease) in other current financial liabilities	810.74	(5,762.69)
Increase/(Decrease) in other employee benfit obligation	6.23	7.75
Increase/(Decrease) in other current liabilities	(28.41)	39.88
(Increase)/Decrease in inventories	(230.67)	(443.35)
(Increase)/Decrease in trade receivables	19.38	(869.85)
(Increase)/Decrease in other current financial assets	(139.50)	(18.99)
(Increase)/Decrease in other current assets	565.05	(805.81)
Cash generated from operations	3,629.24	(5,511.87)
Less: Income taxes paid (net)	(166.32)	(92.76)
Net cash inflow from operating activities	**3,462.92**	**(5,604.63)**
Cash flows from investing activities		
Purchase of fixed assets	(73.43)	(30,694.12)
(Increase)/Decrease in capital work in progress	-	23,736.53
(Increase)/Decrease in ROU asset	-	(9,019.89)
(Increase)/Decrease in non-current assets	(11,334.78)	1,045.93
Increase/(Decrease) in other non-current financial liabilities	(1,581.81)	10,423.52
Net cash outflow from investing activities	**(12,990.02)**	**(4,508.02)**
Cash flows from financing activities		
Loans borrowed and Paid (Net)	11,475.13	11,641.00
Interest expense on Borrowings	(1,771.01)	(195.71)
Net cash inflow (outflow) from financing activities	**9,704.11**	**11,445.29**
Net increase (decrease) in cash and cash equivalents	177.01	1,332.64
Cash and cash equivalents at the beginning of the period	1,631.31	298.67
Cash and cash equivalents at end of the period	1,808.31	1,631.31

The accompanying notes form an integral part of financial statements

As per our report of even date
For M/s Karthikeyan & Jayaram
Chartered Accountants

A. Parvathi
Partner
M.No.238586

Place: Coimbatore
Date: 13-05-2021

KARTHIKEYAN & JAYARAM CHARTERED ACCOUNTANTS
GKM Towers, 141, Alagesan Road, Saibaba Colony, Coimbatore - 641 011, Ph:0422-2447759, 4365850

For and on behalf of the Board

Chandra Prakash Somani
Whole Time Director
DIN: 08955487

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CFO, PAN -AVAPP9915G

Vidhi Shah
Company Secretary
(M.No. - A40080)

Place - Mumbai
Date -12-05-2021

LIMITED * MANG... TERMINAL PRIVATE

Mangalore Coal Terminal Private Limited
Statement of changes in Equity
(All amounts in INR Lakhs unless otherwise stated)

I) Equity Share Capital

Particulars	Note No	Amounts
Balance as at March 31, 2019		3,401
Changes in equity share capital during the period	10	-
Balance as at March 31, 2020		3,401
Changes in equity share capital during the period	10	-
Balance as at March 31, 2021		3,401

II) Other equity

Particulars	Note No	Reserves and surplus	Other Equity	Total
		Retained earnings	Capital Reserves - Interest free borrowings IND AS	
Balance as at March 31, 2019	11	**(24.44)**	1,028.06	1,003.62
Profit for the period		(8,548.57)	-	(8,548.57)
Items of Other Comprehensive Income recognised directly in retained earnings		(0.53)	-	(0.53)
Balance as at March 31, 2020	11	**(8,573.53)**	1,028.06	**(7,545.48)**
Profit for the period		(4,659.43)	-	(4,659.43)
Retained Earnings -Financial Guarantee Asset		265.78	-	265.78
Items of Other Comprehensive Income recognised directly in retained earnings		0.65	-	0.65
Balance as at March 31, 2021	11	**(12,966.54)**	**1,028.06**	**(11,938.48)**

The accompanying notes form an integral part of financial statements

As per our report of even date
For M/s Karthikeyan & Jayaram
Chartered Accountants

A. Parvathi
Partner
M.No.238586

Place: Coimbatore
Date: 13-05-2021

KARTHIKEYAN & JAYARAM
GKM Towers, 141, Alagesan Road, Saibaba Colony, Coimbatore - 641 011
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Chandra Prakash Somani
Whole Time Director
DIN: 08955487

Prasad Rane
Director
DIN: 08427066

K. Nagabharana Pai
Nagabharana Pai
CFO. PAN -AVAPP9915G

Vidhi Shah
Company Secretary
(M.No. - A40080)
Place - Mumbai
Date -12-05-2021

MANGALORE COAL TERMINAL PRIVATE LIMITED

Mangalore Coal Terminal Private Limited

COMPANY PROFILE

The company was incorporated under the provisions of Companies Act 2013 on 26th of February 2016 with the objective of providing services relating to handling of bulk cargoes. The company has entered into a concession agreement with the New Mangalore Port Trust for a period of 30 years to Design - Build - Finance - Operate and Transfer (D-B-F-O-T) common use Coal terminal. The company has commenced its commercial operations from 31-10-2019.

Note: 1 Significant accounting policies

This note provides a list of significant accounting policies adopted in the preparation of these financial statements. These policies have been applied throughout the reporting period presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy given below) which have been measured at fair value.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) Functional Presentation Currency

The financial statements are presented in Indian Rupees (in hundreds), which is the functional currency of the company and the currency of the primary economic environment in which the company operates.

(b) Classification of Assets and Liabilities into Current/Non-Current:

The company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

(iv)The company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(d) Critical Estimates and judgements

The areas involving critical estimates or judgments are:

i. Estimation of useful life of Property, Plant and Equipment

ii. Estimation of defined benefit obligation - Note 13

iii. Estimation of current tax expense - Note 21

iv. Estimation of stage of completion for revenue recognition on service contracts on percentage of completion method

MANGALORE COAL TERMINAL PRIVATE LIMITED *

(e) Property, Plant and Equipment

i) Recognition & Measurement

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure and borrowing cost incurred upto the date the asset is ready for its intended use. However, cost excludes excise duty, value added tax and service tax, wherever credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Capital Work-In Progress:- The directly attributable expenditure incurred for construction of project assets which were not ready for intended use as on the reporting date were capitalized under the head Capital Work-in progress classified as tangible assets under construction. All the expenses including general and administrative expenditure incurred till the completion of constuction of project assets which are not related to construction of assets is charged to statment of Profit and Loss. 2019-20 company commenced of commercial operations, the expense incurred during construction was recognized as Asset which will be amortized over the uselful life of the project assets.

ii) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

iii) Depreciation and amortization

Depreciation of fixed assets is provided on Straight Line method of depreciation based on the useful lives prescribed under the Part C of Schedule II to the Companies Act, 2013.

The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

iv) Amortisation of Intangible Assets

The Company operates under a Licensing Arrangement with New Mangalore Port Trust and carries certain assets on "Design, Build, Finance, Operate and Transfer" basis for a period of 30 years from 18th March 2016. The Right of Use of Licensed Assets would be amortised prospectively over a period of their balance expected useful life on WDV basis.

(f) Impairment of assets

At the end of each reporting period, the carrying amounts of the non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects the current market rates and the risks specific to the asset.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which separately identifiable cash inflows can be generated which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

(g) Employee benefits

a) Short-term employee benefits :

Short-term employee benefits, that are expected to be settled wholly within 12 months after the end of the period, in which the employees render the related service, are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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PRIVATE LIMITED * MANGALORE COAL TERMINAL

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b) Post employment benefits:

i) Defined contribution plan:

Company's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss. The Company makes these contributions to publicly administered funds as per the respective legislations. The Company has no further legal obligations once the contributions have been paid.

ii) Defined benefit plan:

The Company operates a defined benefit gratuity plan for employees.

The liability or asset recognized in the balance sheet, in respect of defined benefit gratuity plan, is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated using the Projected Unit Credit Method with actuarial valuation being carried at each reporting date.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

c) Other Long-term employee benefits:
Liabilities recognized in respect of other long-term employee benefits such as earned leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. The Company determines the liability of such benefits using the Projected Accrued Benefit method with actuarial valuations being carried at each Balance Sheet date.

d) All actuarial gains/losses in respect of post employment benefits and other long term employee benefits are charged to Other Comprehensive Income.

(h) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized up-to the time when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Borrowing cost includes interest expense, amortization of ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

(i) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Income tax
Tax expense comprises of current and deferred taxes.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all temporary differences. However, deferred tax liabilities are not recognized on temporary differences that may arise from the initial recognition of goodwill. Deferred tax liabilities are also not accounted for if they arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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PRIVATE LIMITED * MANGALORE COAL TERMINAL

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(k) Revenue recognition

a) Cargo Handling

The principal operating activity of the Company is to render services under a licensing arrangement, entered with New Mangalore Port Trust, and covered by Appendix D (Service Concession Arrangements) to Ind AS 115. Consequent to the application of IndAS 115, the public infrastructure assets created therefor were hitherto being grouped under Property Plant and Equipment are now recognised as right to use Licensed Assets, and stand classified and disclosed as a part of Intangible Assets. The right to use these assets is the primary source for generating operating income.

The Company establishes rates and user charges for the provision of project facilities including Berth Hire Charges for the Berth Built by the Company, Cargo Handling Charges and Other Charges at the Terminal for Cargo Handling facilities and services in respect of all permitted cargo. Revenue is recognized based on actual charges levied by the company for the above services provided by the Company.

Revenue is measured at the fair value of the consideration received or receivable taking in to account contractually defined terms of payment. Amounts disclosed as revenue are exclusive of trade allowances, rebates, goods and service taxes and amounts collected on behalf of third parties.

Considering the relatively short credit periods involved, the Company ensures that the terms of contracts with its customers do not include any financing component. It is the policy of the company to assess the probability of recovery of the consideration, and costs associated with the revenue. Where volume rebates are involved, revenue from such contracts is suitably adjusted downwards.

Cost of rendering services includes only expenses directly or indirectly attributable to the process of rendering services. Only such expenses as cannot be allocated to any specific function are classified as other expenses.

b) Other Income

Other income is comprised primarily of interest income.

Interest income is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

Others: Any other income is recognised only on realisation basis.

(l) Provisions, Contingent Liabilities and Contingent Assets

Provisions:

A provision is recorded when the company has a present or constructive obligation as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate, if used to determine the present value, is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or the amount of such an obligation cannot be measured reliably is disclosed as a contingent liability.

Contingent assets:

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

(m) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingentrents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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MANGALORE COAL TERMINAL PRIVATE LIMITED

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.
The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.
n calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e.,below Rs. 50,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

New and amended accounting standards (Ind AS 116 - Leases):Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal formof a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.
Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the period 2019-20. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Effective 2019-20, the Company has adopted Ind AS 116 "Leases' and applied the standard to all lease contracts existing on the date of initial application. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets.The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Leases previously classified as finance leases
The Company applied the practical expedients provided in Ind AS 116 and did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17).

Leases previously accounted for as operating leases
The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining leasepayments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:
• Used a single discount rate to a portfolio of leases with reasonably similar characteristics
• Relied on its assessment of whether leases are onerous immediately before the date of initial application
• Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
• Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
• Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.
The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116 adoption as at 2019-20 is 9.25%
Based on the above,Right-of-use asset of Rs. 9020 lakhs and a lease liability of Rs. 9020 lakhs on the date of initial application

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MANGALORE COAL TERMINAL PRIVATE LIMITED

(n) **Cash and cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(o) **Trade receivables**

Trade receivables are recognised initially at fair value and expected credit loss is provided on every reporting date for the amount outstanding based on the historically observed delayed period for collection of trade receivables.

(p) **Financial Instruments:**

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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 and ancillary costs related to borrowings) 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 recognized immediately in Statement of Profit and Loss.

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through Other Comprehensive Income (OCI).

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(q) **Segment reporting**

The Company has only one identifiable operating segment. The chief operating decision maker (CODM) reviews performance of the operating segments with profit and loss as reported in the financial statements for the purpose of decision making on resource allocation and profitability.

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MANGALORE COAL TERMINAL PRIVATE LIMITED

Mangalore Coal Terminal Private Limited
Notes to Balance Sheet

(All amounts in INR Lakhs unless otherwise stated)

2 Property, plant and equipment

The changes in the carrying value of fixed assets for the period ended March 31, 2021 are as follows:

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Deletions	As at March 31, 2021	As at March 31, 2020	Depreciation for the period	Deletions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computers	17.85	0.28	-	18.13	9.61	3.26	-	12.87	5.27	8.25
Furniture & Fittings	18.59	2.44	-	21.03	6.60	1.45	-	8.05	12.98	11.99
Office equipment	3.07	-	-	3.07	1.50	0.36	-	1.87	1.20	1.56
Plant & Machinery	195.76	7.25	-	203.01	102.41	23.21	-	125.62	77.39	93.35
Vehicles	3.53	-	-	3.53	1.16	0.25	-	1.41	2.12	2.37
Total	238.81	9.97	-	248.77	121.27	28.54	-	149.82	98.96	117.53

2 (a) Intangible Assets

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Deletions	As at March 31, 2021	As at March 31, 2020	Depreciation for the period	Deletions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Licensed Assets held with right to use	30,672.88	63.46	-	30,736.35	2,331.18	5,158.67	-	7,489.85	23,246.50	28,341.70
Total	30,672.88	63.46	-	30,736.35	2,331.18	5,158.67	-	7,489.85	23,246.50	28,341.70

3 RoU Asset (IND AS 116)

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Deletions	As at March 31, 2021	As at March 31, 2020	Depreciation for the period	Deletions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
ROU Asset	9,019.89	-	-	9,019.89	142.23	341.35	-	483.57	8,536.31	8,877.66
Total	9,019.89	-	-	9,019.89	142.23	341.35	-	483.57	8,536.31	8,877.66

2 Property, plant and equipment

The changes in the carrying value of fixed assets for the period ended March 31, 2020 are as follows:

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2019	Additions	Deletions	As at March 31, 2020	As at March 31, 2019	Depreciation for the period	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computers	5.92	11.93	-	17.85	3.60	6.01	-	9.61	8.25	2.33
Furniture & Fittings	10.70	7.89	-	18.59	3.56	3.04	-	6.60	11.99	7.14
Office equipment	1.66	1.41	-	3.07	0.78	0.72	-	1.50	1.56	0.87
Office container	195.76	0.50	0.50	195.76	25.80	76.61	0.01	102.41	93.35	169.96
Vehicles	3.53	-	-	3.53	0.33	0.83	-	1.16	2.37	3.20
Total	217.57	21.73	0.50	238.81	34.07	87.21	0.01	121.27	117.53	183.50

2 (a) Intangible Assets

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2019	Additions	Deletions	As at March 31, 2020	As at March 31, 2019	Depreciation for the period	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Licensed Assets held with right to use	-	30,672.88	-	30,672.88	-	2,331.18	-	2,331.18	28,341.70	-
Total	-	30,672.88	-	30,672.88	-	2,331.18		2,331.18	28,341.70	-

3 RoU Asset (IND AS 116)

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at March 31, 2019	Additions	Deletions	As at March 31, 2020	As at March 31, 2019	Depreciation for the period	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
ROU Asset	-	9,019.89	-	9,019.89	-	142.23	-	142.23	8,877.66	-
Total	-	9,019.89	-	9,019.89	-	142.23	-	142.23	8,877.66	-

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MANGALORE COAL TERMINAL PRIVATE LIMITED *

Mangalore Coal Terminal Private Limited
Notes to Balance Sheet
(All amounts in INR Lakhs unless otherwise stated)

Note 4: Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advance		-
Deposits	125.47	166.30
Financial Guarantee Asset	247.77	-
ICD-Southern Bulk Terminals Private Limited	11,375.62	-
Total other non-current assets	**11,748.85**	**166.30**

Note 6: Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Stores and spares	674.02	443.35
Total Stores and Stores	**674.02**	**443.35**

Note 7: Financial Assets

7(a) Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables - unsecured, considered good		
- from related party	17.99	20.63
- from others	832.48	849.22
Less: Allowance for expected credited loss		
Total trade receivables	**850.47**	**869.85**

7(b) Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- in current accounts	1,165.03	283.17
- in demand deposits with original maturity less than 3 months		
Cash on hand	-	-
Bank Deposits	-	1,005.74
Total cash and cash equivalents	**1,165.03**	**1,288.91**

7(c) Bank balances other than cash & cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- Deposit with bank held as security against guarantees	480.95	180.00
- Demand deposit with original maturity more than 3 months but less than 12 months	162.33	162.40
Total bank balances other than cash and cash equivalents	**643.28**	**342.40**

7(d) Other current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Rent advance		-
Deposits	0.13	336.80
Interest Receivable	52.61	23.57
ICD Interest Receivable	447.13	-
Total Other current financial assets	**499.87**	**360.37**

Note 8 Current Tax Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax assets (net of provision for tax)	259.35	93.04
Total current tax assets	**259.35**	**93.04**

Note 9 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to Suppliers	41.34	58.37
Capital Advance	-	111.98
GST input credit	4,567.08	5,007.43
Prepaid expenses	23.95	22.56
MAT Credit Entitlement	1.76	1.76
Unbilled Revenue	2.92	-
Total other current assets	**4,637.05**	**5,202.10**

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MANGALORE COAL TERMINAL PRIVATE LIMITED

Mangalore Coal Terminal Private Limited

Notes to balance sheet

(All amounts in INR Lakhs unless otherwise stated)

11 Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings	(12,966.54)	(8,573.53)
Capital Reserve	1,028.06	1,028.06
Total reserves and surplus	**(11,938.48)**	**(7,545.48)**

a) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(8,573.53)	(24.44)
Net profit for the period	(4,659.43)	(8,548.57)
Retained Earnings -Financial Guarantee Asset	265.78	-
employee benefit obligation		
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	0.65	(0.53)
Closing balance	(12,966.54)	(8,573.53)

b) Capital Reserve

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1,028.06	1,028.06
Transactions during the year		-
Closing balance	1,028.06	1,028.06

12(b) Other financial liabilities-non current

Particulars	As at March 31, 2021	As at March 31, 2020
Retention Money		
- Capital expenditure	5.00	1,722.29
Lease Liabilities (IND AS 116)	8,844.51	8,709.03
Total other current liabilities	**8,849.51**	**10,431.32**

12(c) Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
- Total outstanding dues of micro and small enterprises	68.76	115.18
- Total outstanding dues of creditors other than micro and small enterprises	473.56	563.41
Total trade payables	**542.32**	**678.60**

12(d) Other financial liabilities - Current

Particulars	As at March 31, 2021	As at March 31, 2020
Payable for Capital expenditure	-	288.28
Audit fees payable	0.46	0.23
Employee Benefits Payable	8.49	21.23
Deferred revenue	24.00	38.25
Expenses payable	395.59	449.33
ICD Interest Payable	22.34	-
NCD Interest Payable	1,157.18	-
Total other current financial liabilities	**1,608.05**	**797.31**

14 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	41.56	69.97
Provision for Tax	-	-
Total other current liabilities	**41.56**	**69.97**

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15 Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Handling Charges	7,621.99	3,757.06
Storage Charges	1,051.95	86.50
Total revenue from operations	8,673.94	3,843.56

16 Other Income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income	541.91	43.11
Discounting income on Loans borrowed - IndAS	-	1,924.87
Total other Income	541.91	1,967.98

17 Operational expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Electricity Expenses	433.82	226.80
License Fees	123.42	3.54
Royalty Charges	3,015.09	1,308.22
Other Operating Expenses	1,341.32	405.29
Total operational expenses	4,913.65	1,943.85

18 Employee Benefit Expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages, Bonus and Allowances	196.11	123.08
Provident Fund and other Funds	18.94	11.83
Staff Welfare expenses	8.18	7.10
Total Employee Benefit Expenses	223.23	142.01

19 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Payment to auditors [refer note 19(a)]	0.75	0.25
Leagl & Professional charges	0.71	0.03
Postage, Printing & Stationery	3.39	4.59
Electricity Charges	0.67	0.53
Travelling & conveyance	25.07	18.21
Insurance expenses	78.58	32.70
Miscellaneous Expenses	109.48	18.52
Communication Expenses	1.85	0.96
Repairs & Maintenance	239.51	41.79
Security charges	44.65	18.66
Total other expenses	504.64	136.25

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19(a) Details of payments to auditors

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Payment to auditors		
As auditors:		
Audit fee	0.50	0.25
For taxation matters	0.25	-
In other capacities		
Other services	-	-
Total	0.75	0.25

20 Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on loans borrowed - IndAS	973.24	2,031.13
Interest on ICD	24.15	195.71
NCD Interest - SWPL	1,251.00	-
Interest on Term Loan	495.86	-
Interest - Amortisaiton Processing Fee- IND AS	52.99	-
Other borrowing costs	6.03	1.96
Interest on Lease Liability(IND AS116)	805.59	-
Total finance costs	3,608.87	2,228.80

21 Income tax expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
Current tax on profits for the year	-	-
Total current tax expense	-	-
Deferred tax		
Decrease/(increase) in deferred tax assets		-
(Decrease)/increase in deferred tax liabilities	(903.67)	7,348.57
Total deferred tax expense/(benefit)	(903.67)	7,348.57
Income tax expense	(903.67)	7,348.57

22 Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to the equity holders of the company used in calculating basic and diluted earnings per share	(4,658.78)	(8,549.10)
Wegihted Average number of equity shares used as denominator in calculating basic earnings per share	3,40,10,000	3,40,10,000
Basic & Diluted earnings per share	(13.70)	(25.14)

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Notes to Balance Sheet
(All amounts in INR Lakhs unless otherwise stated)

Note 5: Deferred tax Liability

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liability		
Property plant and equipment & Corporate Guarantee on Loan	6,454.28	7,349.53
Provision for employee benefits		-
Total deferred tax liability	6,454.28	7,349.53
Deferred tax asset		
Property plant and equipment		-
Provision for employee benefits	(6.57)	(5.34)
Net deferred tax liability / (asset)	6,447.71	7,344.19

Movement in deferred tax liabilities / (assets)

Particulars	Property plant and equipment & Corporate Guarantee on Loan	Provision for employee benefits	Total
At March 31, 2019	(3.35)	(0.85)	(4.20)
charged/(credited):			
- to profit or loss	7,352.87	(4.30)	7,348.57
- to other comprehensive income	-	(0.19)	(0.19)
At March 31, 2020	7,349.53	(5.34)	7,344.19
charged/(credited):			
- to profit or loss	(902.18)	(1.48)	(903.67)
- to other comprehensive income	-	0.25	0.25
- DTL on Corporate Guarantee on Loan	6.94	-	6.94
At March 31, 2021	6,454.28	(6.57)	6,447.71

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(All amounts in INR Lakhs unless otherwise stated)

10 Equity share capital

Authorised equity share capital

Particulars	Number of shares (in absolute numbers)	Amount
As at March 31, 2019	3,50,00,000	3,500
Increase during the period	-	-
As at March 31, 2020	3,50,00,000	3,500
Increase during the period	-	-
As at March 31, 2021	3,50,00,000	3,500

Issued Equity share capital

Particulars	Number of shares (in absolute numbers)	Amount
As at March 31, 2019	3,40,10,000	3,401
Increase during the period	-	-
As at March 31, 2020	3,40,10,000	3,401
Increase during the period	-	-
As at March 31, 2021	3,40,10,000	3,401

(i) Movements in equity share capital

Particulars	Number of shares (in absolute	Amount (in)
As at March 31, 2019	3,40,10,000	3,401
Increase during the year	-	-
As at March 31, 2020	3,40,10,000	3,401
Increase during the year	-	-
As at March 31, 2021	3,40,10,000	3,401

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares (in absolute numbers)	% holding	Number of shares (in absolute numbers)	% holding
Southern Bulk Terminals Private Limited	2,51,67,400	74.00%	2,51,67,400	74.00%
Ennore Coal Terminal Private Limited	88,42,600	26.00%	88,42,600	26.00%
	3,40,10,000	100.00%	3,40,10,000	100.00%

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Notes to balance sheet

(All amounts in INR Lakhs unless otherwise stated)

12 Financial Liabilities

12 (a) Non Current borrowings

Particulars	Terms of repayment	Coupon/Interest rate	As at March 31, 2021	As at March 31, 2020
Unsecured				
South India Corpn Private Limited	13 months	Interest free loan	-	15,285.45
Chettinad Logistics Private Limited	18 months	Interest free loan	-	8,892.21
Chettinad Holdings Private Limited	13 months	Interest @ 7%	-	6,732.10
ICD-JSW Infrastructure Ltd	1 year	Interest @ 9.15%	688.13	-
Indusind Bank - Term Loan	8 years	Interest @ 9.95%	11,698.05	-
Indusind Bank - Working Capital Term Loan	6 Months	Interest @ 9.95%	1,000.00	-
NCD - South West Port Ltd	10 Years	Interest @ 10.95%	30,000.00	-
Total Loans			**43,386.17**	**30,909.76**

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MANGALORE COAL TERMINAL PRIVATE LIMITED

Mangalore Coal Terminal Private Limited
Notes to balance sheet - Employee benefit obligations
(All amounts in INR Lakhs unless otherwise stated)

13 Employee benefit obligations

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave encashment	0.12	6.78	6.90	0.10	6.20	6.30
Gratuity	0.12	14.84	14.97	0.08	10.16	10.24
Total employee benefit obligations	**0.24**	**21.63**	**21.87**	**0.18**	**16.36**	**16.54**

(i) Compensated absences

The compensated absences obligations cover the Company's liability for the earned leave. The provision is presented as current and non-current based on the actuarial report obtained by the Company. However, based on past experience the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	As at March 31, 2021	As at March 31, 2020
Current compensated absences expected to be settled within the next 12 months	0.12	0.10

(ii) Post-employment obligations - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratutiy Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is ascertained as per the Payment of Gratutiy Act, 1972.

(iii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations.

GRATUITY

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2019	**4.94**	-	4.94
			-
Current service cost	4.20	-	4.20
Interest expense/(income)	0.38	-	0.38
Total amount recognised in profit or	**4.58**	-	**4.58**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in financial assumptions	0.88	-	0.88
(Gain)/loss from change in demographic assumptions	(0.00)	-	(0.00)
Experience (gains)/losses	(0.15)	-	(0.15)
Total amount recognised in other comprehensive income	**0.72**	-	**0.72**
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2020	**10.24**	-	**10.24**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2020	**10.24**	-	10.24
			-
Current service cost	4.93	-	4.93
Interest expense/(income)	0.70	-	0.70
Total amount recognised in profit or	**5.63**	-	**5.63**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in financial assumptions	(0.08)	-	(0.08)
(Gain)/loss from change in demographic assumptions	-	-	-
Experience (gains)/losses	(0.82)	-	(0.82)
	-	-	-
Total amount recognised in other comprehensive income	**(0.90)**	-	**(0.90)**
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2021	**14.97**	-	**14.97**

Mangalore Coal Terminal Private Limited

Notes to balance sheet - Employee benefit obligations

(All amounts in INR Lakhs unless otherwise stated)

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	14.97	10.24
Fair value of plan assets	-	-
Deficit of funded plan	**14.97**	**10.24**

(iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.85%
Salary growth rate	7.50%	7.50%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for an employee retiring at age 58

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation (Increase/(Decrease)					
Particulars	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate	0.50%	0.50%	-5.20%	-5.30%	5.65%	5.77%
Salary growth rate	0.50%	0.50%	4.03%	4.28%	-4.11%	-4.22%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(vi) Risk exposure

Through its defined benefit plans, The company is exposed to a number of risks, the most significant of which are detailed bel

Interest risks:

A decrease in bond rate will increase the plan liability although this will be partially offset by an increase in the value of the plans bond holdings.

Longevity risks (Life expectancy):

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

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(All amounts in INR Lakhs unless otherwise stated)

23 **Fair value measurements**

a) Financial instruments by category

Particulars	Notes	Hierarchy	31 March 2021			31 March 2020		
			FVPL *	FVOCI **	Amortised cost	FVPL *	FVOCI **	Amortised cost
Financial assets								
Trade receivables	7(a)	3			850.47			869.85
Cash and cash equivalents	7(b)	3			1,165.03			1,288.91
Bank balances other than Cash and cash equivalents	7(c)	3			643.28			342.40
Other financial assets	7(d)	3			499.87			360.37
Total financial assets					3,158.65	-	-	2,861.53
Financial liabilities								
Loans - non current	12(a)	3			43,386.17			30,909.76
Trade payables	12(c)	3			542.32			678.60
Other financial liabilities - Current	12(d)	3			1,608.05			797.31
Total financial liabilities					45,536.54	-	-	32,385.67

* FVPL - Fair value through profit or loss
** FVOCI - Fair value through other comprehensive income

(i) Fair value hierarchy

The company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the period.

b) Valuation technique used to determine the fair value

Fair value of Financial instruments categorised within Level 3 of the fair value hierarchy is determined using the discounted cash flow analysis and intrinsic valuation as applicable.

c) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

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24 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk. The Company forecast is to foresee the unpredictability of the financial markets and to seek to minimise potential adverse effects on its financial performance.. The company has not entered into any foreign currency transactions during the reporting period hence it is not exposed to the risk of foreign exchange rate movements.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other financial assets	Ageing analysis, Credit ratings	Diversification of bank deposits, customer credit limits control and utilisation of letters of credit
Liquidity risk	Borrowings, trade payables and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Monitoring of foreign exchange rates movements
Market risk - interest rate	Long-term and Short-term borrowings at variable interest rates.	Sensitivity analysis	Availability of committed credit lines and borrowing facilities

The company's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management by way of investment of excess liquidity in fixed deposits with banks. It also provides policies covering specific areas, such as credit risk, liquidity risk.

(A) Credit risk

Credit risk refers to a risk that the counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk arises from Cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and credit exposures to outstanding receivables

Credit risk management

Credit risk on cash and cash equivalents and bank balances other than cash and cash equivalents is limited as the Company generally invests in deposits with banks which have high credit ratings assigned by external agencies. Loans and other financial assets are receivable from counterparties who have strong capacity to meet the obligations and where risk of default is negligible or nil. Hence the company has not provided for any expected credit loss on these financial assets.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

(B) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financail instruments that are settled by delivering in cash or another financial assets. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. the company has an established liquidity risk management framework for managining its short term, medium term and long term funding and liquidity management requirements. The company's exposure to liquidity risk arises primarily from trade payables and other liablities. The company manages the liquidity risk by maintaining adquate funds in cash and cash equivalents. The company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

Contractual maturities of financial liabilities: **(All amounts in INR Lakhs unless otherwise stated)**

Particulars	Less than 1 year	More than 1 year	Total
31 March 2021			
Borrowings	-	43,386	43,386
Trade payables	542	-	542
Other financial liabilities	1,608	-	1,608
Total non-derivative liabilities	**2,150**	**43,386**	**45,537**
Particulars	**Less than 1 year**	**More than 1 year**	**Total**
31 March 2020			
Borrowings	-	30,910	30,910
Trade payables	679	-	679
Other financial liabilities	797	-	797
Total non-derivative liabilities	**1,476**	**30,910**	**32,386**

(C) Market risk

(i) Foreign currency risk

The company has not entered into any foreign currency transactions. Hence the company is not exposed to any foreign currency risk

(ii) Interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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CKM Towers, 141, Alagesan Road, Saibaba Colony, Coimbatore - 641 011
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CHARTERED ACCOUNTANTS

MANGALORE COAL TERMINAL PRIVATE LIMITED

(All amounts in INR Lakhs unless otherwise stated)

25 Capital management

(a) Risk management

For the purpose of capital management, capital includes issued equity capital attributable to the shareholders. The company's objectives when managing capital are to;

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits to other stakeholders and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings)
divided by
Total 'equity' (as shown in the balance sheet).

Particulars	31-03-2021	31-03-2020
Net debt (total borrowings)	43,386	30,910
Total 'equity'	(8,537)	(4,144)
Gearing ratio	**(5.08)**	**(7.46)**

(i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lender to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021

(b) Dividends

The company has not declared any dividend during the current period.

26 Related party transactions

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 24 RELATED PARTY DISCLOSURES

(a) List of Related Parties

Name	Nature of Relation
Southern Bulk Terminals Private Limited	Immediate Parent company
JSW Infrastructure Limited	Ultimate Parent company
Ennore Coal Terminal Private Limited	Others
Ennore Bulk Terminal Private Limited	Others
Chettinad Holdings Private Limited	Others
Chettinad Logistics Private Limited	Others
Chettinad Products and Services Private Limited	Others
South India Corpn Private Limited	Others
Madura South India Corporation Private Ltd	Others
JSW Energy Limted	Others
South West Port Limited	Others

Key Managerial Personnel

Name	Nature of Relation
Mr. AL. Arunachalam	Director
Mr. L. Ramanathan	Director
Mr. Prasad Uday Rane	Director
Mr. Chandra Parakash Somani	Director
Mr. Miraj Mukesh Shah	Director
Mahek Gaurav Jaju	Company Secretary

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MANGALORE COAL TERMINAL PRIVATE LIMITED

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of transaction/relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Purchase of goods and services		
Ennore Coal Terminal Private Limited	-	1.25
Madura South India Corporation Private Ltd	-	0.75
Total	-	2.00
Purchase of Capital goods		
Chettinad Products and Services Private Limited	-	2,024.60
South India Corpn Private Limited	5.13	0.50
Total	5.13	2,025.09
Sales of goods and services		
Ennore Coal Terminal Private Limited	1.79	3.66
Ennore Bulk Terminal Private Limited	-	15.24
Total	1.79	18.91
Interest Expenses		
Chettinad Holdings Private Limited	-	395.24
South West Port Limited -NCD	1,251.00	-
JSW Infrastructure Limited	24.15	-
Total	1,275.15	395.24
Interest Income		
Southern Bulk Terminals Private Limited-ICD	483.39	-
Total	483.39	-
Loans given		
Ennore Bulk Terminal Private Limited	13.90	-
Southern Bulk Terminals Private Limited	11,375.62	-
Total	11,389.52	-
Loans Repayment Received		
Ennore Bulk Terminal Private Limited	13.90	-
Total	13.90	-
Loans Borrowed		
Chettinad Holdings Private Limited	-	4,232.25
South India Corpn Private Limited	-	3,062.00
Chettinad Logistics Private Limited	-	4,646.75
South West Port Limited -NCD	30,000.00	-
JSW Infrastructure Limited	688.13	-
Total	30,688.13	11,941.00
Loan Repaid		
Chettinad Logistics Private Limited	9,308.75	300.00
Chettinad Holdings Private Limited	6,732.10	-
South India Corpn Private Limited	15,842.15	-
Total	31,883.00	300.00
Change in Fair Value of Loan Borrowed		
South India Corpn Private Limited	556.70	14.26
Chettinad Logistics Private Limited	416.54	120.52
Total	973.24	134.78
Rendering of services		
Chettinad Logistics Private Limited	-	33.97
JSW Energy Limted	158.12	-
Total	158.12	33.97
Reimbursement of expenses		
Chettinad Products and Services Private Limited	-	4.59
JSW Infrastructure Limited	335.00	-
Total	335.00	4.59
Financial Guarantee		
JSW Infrastructure Limited - Term Loan	23.01	-
JSW Infrastructure Limited - WCDL	1.93	-
Total	24.95	-
Payment of salaries, commission and perquisites to Key Management Personnel		
Mahek Gaurav Jain	0.60	-
Total	0.60	-

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MANGALORE COAL TERMINAL PRIVATE LIMITED

(c) Amount due to / from related parties

Nature of transaction/relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Accounts receivable		
Ennore Coal Terminal Private Limited	-	2.65
Ennore Bulk Terminal Private Limited	17.99	17.99
JSW Energy Limted	184.21	-
Total	202.20	20.63
Accounts Payable		
Chettinad Products and Services Private Limited	-	0.66
South India Corpn Private Limited	-	0.50
JSW Infrastructure Limited	390.28	-
Total	390.28	1.15
Loans Payables		
Chettinad Holdings Private Limited	-	6,732.10
South India Corpn Private Limited	-	15,285.45
Chettinad Logistics Private Limited	-	8,892.21
JSW Infrastructure Limited -ICD	688.13	-
South West Port Limited -NCD	30,000.00	-
Total	30,688.13	30,909.76
Loans Receivable		
Southern Bulk Terminals Private Limited - ICD	11,375.62	-
Total	11,375.62	-
Interest Payable		
Chettinad Holdings Private Limited -ICD	-	415.61
JSW Infrastructure Limited -ICD	22.34	-
South West Port Limited - NCD	1,157.18	-
Total	1,179.51	415.61
Interest Receivable		
Southern Bulk Terminals Private Limited -ICD	447.13	-
Total	447.13	-
Financial Guarantee		
JSW Infrastructure Limited	247.77	-
Total	247.77	-

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MANGALORE COAL TERMINAL PRIVATE LIMITED

27 **Segment Reporting**

The company primarily operates in cargo handling.The Chief Operating Decision Maker (CODM) reviews the performance of the segment at the consolidated level and makes decisions on volumes and profitability.

28 **Risk due to outbreak of COVID-19 pandemic:**

The outbreak of COVID-19 pandemic globally and in India has severely affected the businesses. The measures taken to control COVID 19 resulted in unavoidable disruptions to the business operations. The Company has taken all necessary steps to adhere to the guidelines for social distancing as well as various directives issued by relevant Government authorities and has put in place safety measures keeping in mind safety, health and wellbeing of the employees and other stakeholders. Considering that the Company is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic including the utilization of install capacity

29 **Contingent liabilities and contingent assets**

(a) Contingent liabilities

The company does not have any contingent liabilities as at March 31, 2021 and March 31, 2020

(b) Contingent assets

The company does not have any contingent assets as at March 31, 2021 and March 31, 2020

30 **Commitments**

(a) Guarantees

Particulars	31 March 2021	31 March 2020
Bank guarantees	342	342
Total	**342**	**342**

(b) Corporate Guarantees - Corporate guaratnee give to Indusind bank for OD/Term loan facility availed by the following entities:-

Particulars	31 March 2021	31 March 2020
Ennore Bulk Terminal Private Limited	2,050	-
Ennore Coal Terminal Private Limited	12500	-
Total	**14,550**	**-**

31 **Other Disclosure**

Previous year figures have been re-grouped whereever necessary to confirm to the current year classifiction

As per our report of even date
For M/s Karthikeyan & Jayaram
Chartered Accountants

A. Parvathi
Partner
M.No.238586

Place: Coimbatore
Date: 13-05-2021

For and on behalf of the Board

Chandra Prakash Somani
Whole Time Director
DIN: 08955487

Prasad Kane
Director
DIN: 08427066

K. Nagabharana Pai

Nagabharana Pai
CFO. PAN -AVAPP9915G

Vidhi Shah
Company Secretary
(M.No. - A40080)

Place - Mumbai
Date -12-05-2021

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MANGALORE COAL TERMINAL PRIVATE LIMITED