MAHANADI COAL RAILWAY LIMITED

(A subsidiary of Mahanadi Coalfields Limited)

Annual Report and Accounts
2020-21

Regd Office:- Jagruti Vihar, Burla
Sambalpur, Odisha - 768020

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COMPANY INFORMATION

MANAGEMENT DURING 2020-21

CHAIRMAN

Shri O. P. Singh	(w.e.f. 01.03.2019)

DIRECTORS

Shri K Rao		(w.e.f. 16.12.2020)
Shri K.K. Roul		(w.e.f. 10.01.2019)
Shri A. Hussain		(upto 15.12.2020)
Shri S. K. Mohanty		(w.e.f. 01.06.2016)
Shri S. L. Gupta		(w.e.f. 25.08.2016)
Shri M. K. Singh		(w.e.f. 01.11.2019)
Shri A. Narendra		(w.e.f. 02.08.2017)
Shri S. K. Sinha	CEO	(w.e.f. 24.12.2020)
Shri B. K. Behera	COO	(w.e.f. 08.07.2019)
Shri P. K. Panda	CFO	(w.e.f. 01.06.2020)

STATUTORY AUDITORS

S. Kakkad & Associates
Chartered Accountants
Golebazaar, Sambalpur, Odisha

BANKERS

State Bank of India,
MCL Complex Branch, Jagruti Vihar, Burla,
Sambalpur, Odisha-768020.

ICICI Bank
Sachivalaya Marg, Burma Nagar,
Unit-4, Bhubaneswar - 751001

REGISTERED OFFICE

Mahanadi Coal Railway Limited,
Jagruti Vihar, Burla, Sambalpur, Odisha-768020.

BOARD OF DIRECTORS AS ON 30.06.2021

Shri O. P. Singh	Chairman
Shri Keshav Rao	Director
Shri K.K. Roul	Director
Shri S.L Gupta	Director
Shri M. K. Singh	Director
Shri A. Narendra	Director
Shri S. K. Mohanty	Director

NOTICE OF THE ADJOURNED 6th ANNUAL GENERAL MEETING

Notice is hereby given that the 6th Annual General Meeting of Mahanadi Coal Railway Limited (which was convened on 5th July, 2021 and was adjourned due to want of quorum) is scheduled to be held at 04.00 PM on Friday, the 16th July, 2021 at the registered Office of the Company, Jagruti Vihar, Burla, Sambalpur, Odisha - 768020 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 including the Audited Balance Sheet as at 31st March, 2021 and Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.

By order of the Board of Directors
For Mahanadi Coal railway Limited

Sd/-
(O. P. Singh)
Chairman
DIN: 07627471

Place: Sambalpur
Date: 15.07.2021

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.
3. Corporate members intending to send their Authorised Representatives to attend the meeting and requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
4. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
5. The shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the provisions under Section 101(1) of the companies Act, 2013.

DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors of your Company, it is my privilege and honour to present the 6th Annual Report of your Company together with the audited Financial Statements for the year 2020-21 along with the report of the Statutory Auditors and the comments of the Comptroller and Auditor General of India.

1. ORGANISATION:

Memorandum of Understanding (MoU) was signed between Mahanadi Coalfields Limited (MCL), IRCON International Limited (IRCON) and Odisha Industrial Infrastructure Development Corporation (IDCO) to create a Special Purpose Vehicle (SPV) for developing rail corridor in the state of Odisha, thus, an idea of forming a separate company was conceived in the name of Mahanadi Coal Railway Limited (MCRL) with an equity participation ratio of 64:26:10, incorporated on 31st of August, 2015. Such a venture creates synergy by seeking administrative support from Central and State Govt., Technical support from Railways and commercial support from MCL to meet the logistic challenges faced by coal mines. It has been conceptualized to sustain in the venture through a participative business model by investing in rail infrastructure and sharing of revenue generated from the traffic out of rail corridor.

As per the MoU, IDCO share of equity shall correspond to the value of land provided by the Govt. of Odisha (GoO) or 10 % whichever is more. If the value of land provided by GoO exceeds 10% of the equity, the shareholding percentage of IDCO and MCL shall stand modified accordingly. GoO shall provide land owned by State Govt. (Revenue and Forest land) and value of such land shall be adjusted towards its equity. Cost of compensatory afforestation, net present value, wildlife management plan, demarcation, felling and other charges for diversion proposal of forest plan under the Forest (Conservation) Act, 1980 shall be borne by MCRL. It has been envisaged to carry out preliminary activities through IRCON, having domain expertise on railway projects and to act as implementing agency for undertaking the construction work in two phases. MCRL shall enter into separate agreements with Ministry of Railways for Concession, Operation & Maintenance of assets.

Brief Details of the project of MCRL.

Angul-Balaram-Putugadia-Jarapada and one leg to Tentuloi (68 Km) section has been identified by MCRL as its 1st project during its 1st Board meeting held on 11.09.2015. The project consists primarily of 3 legs, (1) Angul- Balaram, (2) Balaram-Putagadia and (3)

Jarapada-Putagadia-Tentuloi. Land for the Angul-Balaram leg of the corridor has already been acquired by MCL. Land for the Balaram-Putagaria and Jarapada-Putagadia-Tentuloi legs are being acquired under the Railways Act, 1989 as the entire project is declared as railway special project.

2. HIGHLIGHTS OF PERFORMANCE:

A) <u>Establishment of MCRL Office</u>

Mahanadi Coal Railway Limited (MCRL) has set-up its Office at 5th floor of 11 storied OSHB Building on Plot No. A/32, Kharavel Nagar, Sachivalaya Marg, Bhubaneswar for development of Rail Corridor in Talcher area in the state of Odisha for evacuation of coal. The office is functioning at the said address from 01.02.2017.

B) <u>Detailed Project Report (DPR)</u>

DPR of Angul-Balaram-Putagadia–Jarapada and one leg upto Tentuloi (about 68 Km) has been approved in principle by Railway Board on 27.10.2017. Final approval of DPR by East Coast Railway has been accorded on 31.01.2018. COM, East Coast Railway sent the proposal to Railway Board on 29.01.2018 for approval of inflated mileage of 60% and for sanction as Railway project. The approval from Railway for inflated mileage of 60% and Special Railway Project has been obtained. Total cost of the project is Rs. 1,700 Crore including inflation, Project Management and interest during construction.

C) <u>Meeting with Stakeholders</u>

One meeting has been held with the prospective stakeholders i.e. National Thermal Power Corporation Limited (NTPC), National Aluminium Company Limited (NALCO), Singareni Colliery Company Limited (SCCL) and Odisha Mining Corporation Limited (OMC) on 18.11.2016 regarding mining plan and traffic generation which was included in O-D Traffic study.

D) <u>Land</u>

IDCO had initiated land acquisition for M/s Brahmani Railway Limited (BRL) for comprehensive corridor to accommodate the railway, road and also water pipeline. Govt. of Odisha has published 6(1) notification on May, 2015 under LA Act, 1894 for land requirement of M/s Brahmani Railway Limited / IDCO.

It has been decided by Board of Director of the Company in its meeting held on 21.03.2016 to reduce the width of land to accommodate only the rail line and additional land required for maintenance/approach road. Accordingly, fresh survey has been undertaken up and revised land schedule prepared.

The entire alignment of MCRL corridor strategically kept within the notified land boundary of M/s Brahmani Railway Limited/IDCO. Now as the entire project is declared as Railways Special Project vide The Gazette of India notification no 4171 dated 23rd October, 2018, the land acquisition is being done under the Railways Act (RAA-2008).

Competent Authority has been nominated under section 7(A) through The Gazette of India notification no 0709 dated 14th February, 2020 and further Notification under section 20A is under process.

E) Appointment of Independent Engineer

As per Article 20 of the Model Joint Venture Agreement of Railway of the year 2014, it is mandatory to deploy an Independent Engineer from approved list of Zonal Railway by the concessionaire i.e. MCRL to check the drawings and designs submitted by IRCON. Therefore, a consultant from approved list of Zonal Railway has to be engaged as an Independent Engineer for the commissioning of the project. The process of engagement of Independent Engineer is going on.

F) Tie up with bank for Debt

As per the financial study, the total expenditure for development of Angul-Balram-Putgadia-Tentuloi-Jarapada Rail corridor will be about Rs. 1,700 Crore. After taking 30% as equity from the promoter, about Rs.1,190 Crore required in the form of debt from financial institutions. The tender has been floated on 26.11.2019 for Financial Closure of Inner Corridor of MCRL i.e. arrangement of term loan of Rs 1,190 Crore. The activities of Financial Closure are in process.

G) Construction of Angul-Balaram Section

During 6th BOD meeting, it was decided that the work between Angul-Balram Section will be taken up irrespective of financial closure. Requisite funds for this portion of the project shall be arranged by MCL in the form of loan. Accordingly, M/s IRCON has awarded the work for Angul-Balaram section to M/S Laxmi Enterprises, Jharkhand on 16.11.2018 with an estimated cost of Rs 64.69 crore and completion period of 09 months.

MCRL requested MCL for arrangement of the fund to the tune of Rs.145 Crore for construction of above section and also agreed to enhance authorized and paid up share capital to the tune of Rs.100,00,00,000 (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) equity shares of Rs. 10 each.

M/s IRCON has awarded another 3 works contracts for Angul-Balaram section to (i) M/s Jyotin Kumar Sahoo, Bhubaneswar for modification of HT & LT power line crossings on 03.08.2020 at a cost of Rs.1.26 crore with a completion period of 10 months (ii) M/s SHYAM TAKNIKI UDYOG, Jharkhand for OHE Electrical work on 27.11.2020 at a cost of 11.03 Crores with a completion period of 12 months and (iii) M/s Jindal Steel and Power Ltd. For supply of 13 mtr long 60 Kg Rail for a total quantity of 2430 MT on 15.01.2021 at a cost of Rs.17.489 Crores with a completion period of 3 months.

Construction work in the Angul- Balaram section is in full swing which got affected due to resistance from local villagers. With the help of district administration work is going on and around 53% of work has been completed.

H) Survey for outer corridor

In the 1st BOD meeting of MCRL on 11.09.2015, another corridor named as 'outer corridor' i.e. Tentuloi-Budhapank via Tiribira, Chandrabila, Sakhigopal about 98 KM has been identified by the Company. The initial work of this corridor is expected to be started after commencement of Angul-Balram-Putgadia-Tentuloi-Jarapada Rail corridor and considering the viability of the project.

I) Connection from Tentuloi to OMC Mine

Chief Secretary, Govt. of Odisha while reviewing the mining plan of M/s Odisha Mining Corporation Limited, has decided that Tentuloi to Baitarani (West) may be connected by Rail. Minutes of meeting and follow up letter of MD/OMC was communicated to MCL on 02.03.2017. IRCON has been advised to conduct the survey and prepare the feasibility report/DPR keeping in view that this action can be part of the western corridor of MCRL in future.

3. CAPITAL STRUCTURE:

The authorized and paid up capital of the Company Rs.100,00,00,000/- (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) equity shares of Rs. 10 each. The paid up capital of the Company as on 31.03.2021 is Rs. 5,00,000/-.

The equity shareholding pattern of the promoter companies are as follows:

Sl.	Name of the Promoter Company	Shareholding pattern as on 31.03.2021	Shareholding pattern as on 31.03.2020
1	Mahanadi Coalfields Limited	64%	64%
2	IRCON International Limited	26%	26%
3	Odisha Industrial Infrastructure Development Corporation	10%	10%
	Total	100%	100%

4. FINANCIAL RESULTS:

Financial Results for the financial year 2020-21 are given below:

Particulars	**For the Year ended on 31-03-2021 (Rs in Lakh)**
Income for the year	2.24
Expenditure for the year excluding Depreciation and Amortization Exp.	7.95

Profit or Loss before Depreciation and Amortization Exp.	(5.71)
Less: Depreciation and Amortization Exp.	0.00
Profit or Loss after Depreciation and Amortization Exp. but before Tax	(5.71)
Less: Current Tax	0.00
Profit or Loss after Tax	(5.71)

The Company is in construction stage and operational activities have not yet been started. Hence, all the expenditure incurred by the Company, which is directly attributable to Project during F.Y. 2020-21, has been capitalized and other indirect expenses has been charged to "Profit and Loss Statement. As on 31.03.2021, the Company has taken Rs.10671.59/- Lakh as Unsecured Short Term Loans from Mahanadi Coalfields Limited (Holding Company).

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluated all recently issued or revised accounting standards on an on going basis. The Company has disclosed standalone audited financial results on quarterly and annual basis.

5. DIVIDEND:

The Company didn't declare any dividend during the year.

6. RESERVES:

The Company didn't transfer any amount in Reserves.

7. CONTRIBUTION TO THE EXCHEQUER: *NIL*

8. SUBSIDIARY/ JV COMPANIES:

Your Company is a subsidiary of Mahanadi Coalfields Ltd (MCL) and it does not have any Subsidiary / JV Company.

9. DEPOSITS:

Your Company has not accepted any deposit from the Public during the year as defined under Section 73 of the Companies Act, 2013 and the Rules made there under.

10. RISK MANAGEMENT:

Due importance is given for risk identification, assessment and its control in different functional areas of the Company for an effective risk management process because of inherent risk, external and internal, necessary control measures are regularly taken. The Management monitors all critical factors continuously.

11. RELATED PARTY TRANSACTION:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons, which may have potential conflict with interest of the Company at large.

12. PARTICULARS OF LOANS GURANTEES OR INVESTMENTS:

Pursuant to the clarification dated February 13, 2015 issued by Ministry of Corporate Affairs and Section 186 (4) & (11) and of the Companies Act, 2013 requiring disclosure in the financial statements of full particulars of the investment made, loan given or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee is disclosed.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Being a Govt. Company, the activities of the Company are open for audit by C&AG, Vigilance, CBI etc.

14. AUDITORS:

Under Section 139 of the Companies Act, 2013, the following Audit Firm was appointed as Statutory Auditor of the Company for the financial year 2020-21:

M/s S. Kakkad & Associates,Chartered Accountants Golebazaar, Sambalpur- Odisha.

15. BOARD OF DIRECTORS:

The Board of Directors of Mahanadi Coal Railway Limited consists of 07 (Seven) members, viz., Chairman and 02 (two) Directors as nominees of MCL, 02 (two) Directors as nominee of IRCON, 01 (one) Director as nominee of IDCO and 01 (one) Director as nominee from MoR.

The Composition of Board of Directors as on 31.03.2021 is as under:

Sl. No.	Name	Designation	Date of Appointment
1.	Shri O. P. Singh	Chairman	01.03.2019
2.	Shri K. Rao	Director	16.12.2020
3.	Shri K. K. Roul	Director	10.01.2020
4.	Shri S. L. Gupta	Director	25.08.2016
5.	Shri M. K. Singh	Director	01.11.2019
6.	Shri S. K. Mohanty	Director	01.06.2016
7.	Shri A. Narendra	Director	02.08.2017

16. BOARD MEETINGS:

The Board met four (04) times during the financial year 2020-21 on 02.06.2020, 04.07.2020, 20.07.2020 and 09.02.2021 and a gap between two meetings was less than 120/180 days. The details of the Board meetings and Directors attendance held during the financial year are given as under

Sl. No.	Name of Directors	Category	Board Meetings	
			Held during the tenure	Attended
1.	Shri O. P. Singh	Non-Executive (MCL)	6	6
1	Shri O. P. Singh	Non-Executive (MCL)	4	4
2	Shri K. Rao	Non-Executive (MCL)	1	1
3	Shri Anwar Hussain	Non-Executive (MCL)	3	3
4	Shri K. K. Roul	Non-Executive (MCL)	4	4
5	Shri S. L. Gupta	Non-Executive (IRCON)	4	4
6	Shri M. K. Singh	Non-Executive (IRCON)	4	3
7	Shri S. K. Mohanty	Non-Executive (IDCO)	4	4
8	Shri A. Narendra	Non-Executive (Railway Nominee)	4	2

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

Information in accordance with the provision of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology absorption and Foreign Exchange earnings and Outgo is Annexed to this Report.

18. INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF

MANAGERIAL PERSONNEL) RULES, 2014, REGARDING EMPLOYEES REMUNERATION:

Information as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to your company as no employee in the Company was drawing more than Rs. 5,00,000/- per month or Rs. 60,00,000 per annum or in excess of that drawn by Managing Director or Whole-time Director or manager and holds by himself or along with spouse and dependent children, not less than two percent of the equity shares of the Company.

19. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section-134 (5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:-

1. That in the preparation of the Annual Accounts for the Financial Year ended 31.03.2021, the applicable Accounting Standards have been followed (except as disclosed in the Additional Notes on Accounts) along with proper explanation relating to material departures.
2. That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the Accounts for the Financial Year ended 31.03.2021 on a 'Going Concern' basis.
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. BANKER'S NAME AND ADDRESS:

Sl. No.	Name	Branch Address
1	State Bank of India	MCL Complex Branch, Jagruti Vihar, Burla, Sambalpur.
2.	ICICI Bank	Sachivalaya Marg, Burma Nagar, Unit-4, Bhubaneswar - 751001

19. C & A G COMMENTS:

Comments of the Comptroller & Auditor General of India on the Accounts of the Company for the year ended 31st March, 2021 is annexed herewith.

20. AUDITOR'S REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. The report is annexed herewith.

21. ACKNOWLEDGEMENT:

Your Directors acknowledge with deep sense of appreciation the co-operation, valuable support and guidance received from the Ministry of Coal, Ministry of Railways and Government of Odisha, Coal India Limited, Mahanadi Coalfields Limited, IRCON International Limited and Odisha Industrial Infrastructure Development Corporation. Your Directors also express their sincere thanks to the District Administration and to all those, who have directly or indirectly extended their help and cooperation from time to time for the development of the Rail Corridor.

Your Directors express their deep felt thanks and best wishes to all the shareholders for their continued support and reposing trust on the management. Your Directors would like to place on record their appreciation for the untiring efforts and contributions made by the employees and associates at all levels to achieve the progress so far and moving closer towards reality.

Your Directors also record their appreciation for the services rendered by the Officers and staff of the Principal Director of Commercial Audit & Ex-officio Member Audit Board-II, Kolkata, O/o the Comptroller & Auditor General of India and Registrar of Companies, Odisha.

22. ADDENDA:

The following documents are annexed:

1. Information regarding Conservation of Energy, Technology absorption and Foreign Exchange earnings and Outgo, (Annexure-I).
2. Report of the Statutory Auditor under Section 139 of the Companies Act, 2013, (Annexure-II).
3. Comment of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act 2013, (Annexure-III).

Sd/-
(O.P. Singh)
Chairman

Place : Sambalpur
Dated : 30 June, 2020.

Annexure – I

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

(Information under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors.)

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy: NIL

(ii) The steps taken by the company for utilizing alternate sources of energy: NIL

(iii) The capital investment on energy conservation equipments: NIL

(B) Technology absorption-

(i) The efforts made towards technology absorption: NIL

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- : NIL

(iv) The expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

The Company's has been incorporated on 31st August, 2015 and no such activity has yet been started. Therefore, there are not any transaction w.r.t. foreign exchange earnings or Outgo.

(₹ in Lakhs)

Particulars	2020-2021
Total Foreign Exchange Received (F.O.B. Value of Export)	-
Total Foreign Exchange used:	
i) Raw Materials	-
ii) Consumable Stores	-
iii) Capital Goods	-
iv) Foreign Travels	-
v) Others	-

INDEPENDENT AUDITOR'S REPORT

To the Members of
MAHANADI COAL RAILWAY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Ind AS financial statements of **MAHANADI COAL RAILWAY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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 the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2021 and its loss, the changes in Equityand its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 during the course of our audit or otherwise appears to be materially misstated.

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

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 Companies Act, 2013 with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard on Auditing specified under section 143(10) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-1", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us in the "Annexure-2" on the directions and sub directions issued by Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
    i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS Financial Statements.
    ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books.
    iii. The Balance Sheet, the Statement of Profit and Loss, the statement of changes in Equity and the Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the preparation of the Ind AS financial Statements.
    iv. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

v. We are informed that the provision of section 164(2) of the Act in respect of disqualification of the directors are not applicable to the company, being a Government Company in the terms of notification no G.S.R 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs.

vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure-3”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

vii. 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:

a. As explained to us the Company does not have any pending litigation which would impact its financial position in its Ind AS financial statements.

b. As explained to us the Company has not entered into any derivative contracts and the Company has not foreseen any material losses on long term contracts, hence no provision has been made on this account.

c. The Company does not have to transfer any amount to Investor Education & Protection und as required under section 125(2) of the Companies Act, 2013, the delay in transferring any amount to the Fund does not arise.

FOR S. KAKKAD & ASSOCIATES,
CHARTERED ACCOUNTNATS,
Firm’s Registration No.: 317066E

Sd/-
(**SUNIL KAKKAD**)
PROPRIETOR
Membership No. 053159
UDIN:21053159AAAACV8875

Place : Sansadak, Sambalpur - 768001
Dated : 24th day of May, 2021

Annexure-1 to the Independent Auditor's Report

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **Mahanadi Coal Railway Limited** on the Ind AS financial statements for the year ended 31st March, 2021, we report that:

(i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) As per information available the fixed assets of the company have been physically verified by the management during the year and no material discrepancy was noticed on such verificationand in our opinion the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.

c) According to the information and explanations given to us the company does not hold any immovable property and hence no title deeds are held.

(ii) As explained to us the company has no stock of stores, spare parts and raw materials during the year. Hence the requirement of clause (ii) of paragraph 3 of the said order is not applicable to the company.

(iii) As per the information and explanations given to us and on the basis of examination of the records, we noticed that the company has no loans and advances to parties covered under section 189 of the Companies Act, 2013 has been given during the year.

(iv) As per the information and explanations given to us and on the basis of examination of the records the company, the company has not granted any loans/ investments/ guarantees/ security hence reporting in respect of compliance of section 185 and 186 of the Companies Act, 2013 does not arise.

(v) The Company has not accepted any deposit within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.

(vi) The company has not commenced any business/service and hence the provision of 3(vi) of the Order not applicable to the company.

(vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess or any other statutory dues, to the extent applicable, have been regularly deposited with appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as at 31st March, 2021 for a period of more than six months from the date of becoming payable

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales tax, Goods and Service Tax, customs duty, central excise duty and value added tax which has not been deposited on account of any dispute. (viii) On the basis of our examination of records and according to the information and explanations given to us, the Company has not taken any loans or borrowing from financial institution, bank or Government. The Company has not issued any debentures. Therefore, clause (viii) of paragraph 3 of the said order is not applicable to the Company.

(ix) As per information and explanations given to us the Company has not raised any money by way of initial public offer (including debt instruments) and terms loans during the year. Accordingly paragraph 3 (is) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

(xii) The Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

(xiii) The company being a Central government controlled enterprise and having related party transactions has disclosed relevant particulars as required under Paragraph 26 of Ind AS24.

(xiv) 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 or fully or partly convertible debentures during the year.

(xv) 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 them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

FOR S. KAKKAD & ASSOCIATES,
CHARTERED ACCOUNTNATS,
Firm's Registration No.: 317066E

Sd/-
(**SUNIL KAKKAD**)
PROPRIETOR
Membership No. 053159
UDIN:21053159AAAACV8875

Place : Sansadak, Sambalpur - 768001
Dated : 24th day of May, 2021

Annexure - 2 to the Independent Auditor's Report
Report pursuant to Direction and Additional Direction u/s 143(5) of the Companies Act, 2013 to Statutory Auditors for the year 2020-21

Sl. No.	PARTICULAR	Auditors Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	The Company has **NO**system in placeto process all the accounting transactions through IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by the lender to the company due to the company's in ability to repay the loan? If yes, the financial impact may be stated.	As per our information and explanations given to us, there is no restructuring/waiver/write off of debts/loans/interest etc. by any lender.
3	Whether fund received/receivable for specific schemes from Central/State agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	As per information and explanations given to us the Company has not received/ receivable any fund for specific schemes from Central/State agencies.

FOR S. KAKKAD & ASSOCIATES,
CHARTERED ACCOUNTNATS,
Firm's Registration No.: 317066E

Sd/-
(**SUNIL KAKKAD**)
PROPRIETOR
Membership No. 053159
UDIN:21053159AAAACV8875

Place : Sansadak, Sambalpur - 768001
Dated : 24th day of May, 2021

Annexure - 3 to the Independent Auditor's Report

Report on the Internal Financial Controls over financial reporting of under clause (i) of Sub –section 3 of the section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Mahanadi Coal Railway Limited** ('the Company')as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended and as on date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are beingmade only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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.

FOR S. KAKKAD & ASSOCIATES,
CHARTERED ACCOUNTNATS,
Firm's Registration No.: 317066E

Sd/-
(**SUNIL KAKKAD**)
PROPRIETOR
Membership No. 053159
UDIN:21053159AAAACV8875

Place : Sansadak, Sambalpur - 768001
Dated : 24th day of May, 2021

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **Mahanadi Coal Railway Limited** for the year ended31st March 2021 in accordance with the directions/sub-directions issued by the office of the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all Directions/ Sub-Directions issued to us.

FOR S. KAKKAD & ASSOCIATES,
CHARTERED ACCOUNTNATS,
Firm's Registration No.: 317066E

Sd/-
(**SUNIL KAKKAD**)
PROPRIETOR
Membership No. 053159
UDIN:21053159AAAACV8875

Place : Sansadak, Sambalpur - 768001
Dated : 24th day of May, 2021

Annexure – III

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MAHANADI COAL RAILWAY LIMITED FOR THE YEAR ENDED 31ST MARCH 2021.

The preparation of financial statements of Mahanadi Coal Railway Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24th May 2021.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Mahanadi Coal Railway Limited for the year ended 31 March, 2021 under section 143 (6) (a) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(Mausumi Ray Bhattacharyya)
DIRECTOR GENERAL OF AUDIT (COAL)
KOLKATA

Place: Kolkata,
Dated: 06 June, 2021

MAHANADI COAL RAILWAY LIMITED

(*A SUBSIDIARY OF MCL*)

FINANCIAL STATEMENTS

FY: 2020-21

Note- Notes on Accounts No. 5, 6, 7, 8, 12, 13, 15, 18, 21, 22, 24, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36 & 37 has not been annexed as there is nil figure for the current as well as previous financial year.

BALANCE SHEET AS AT 31.03.2021

(₹ in Lakhs)

ASSETS	Note No.	As at 31.03.2021	As at 31.03.2020
Non-Current Assets			
(a) Property, Plant & Equipments	3	21.51	23.85
(b) Capital Work in Progress	4	11,286.77	6,245.15
(c) Exploration and Evaluation Assets	5	-	-
(d) Intangible Assets	6	-	-
(e) Financial Assets			
(i) Investments	7	-	-
(ii) Loans	8	-	-
(iii) Other Financial Assets	9	-	-
(f) Deferred Tax Assets (net)			
(g) Other non-current assets	10	834.63	853.81
Total Non-Current Assets (A)		**12,142.91**	**7,122.81**
Current Assets			
(a) Inventories	12	-	-
(b) Financial Assets			
(i) Investments	7	-	-
(ii) Trade Receivables	13	-	-
(iii) Cash & Cash equivalents	14	78.52	52.11
(iv) Other Bank Balances	15	-	-
(v) Loans	8	-	-
(vi) Other Financial Assets	9	0.95	2.93
(c) Current Tax Assets (Net)		0.23	0.54
(d) Other Current Assets	11	0.72	0.02
Total Current Assets (B)		**80.42**	**55.60**
Total Assets (A+B)		**12,223.33**	**7,178.41**

BALANCE SHEET AS AT 31.03.2021 Contd ...

(₹ in Lakhs)

EQUITY AND LIABILITIES	Note No.	As at 31.03.2021	As at 31.03.2020
Equity			
(a) Equity Share Capital	16	5.00	5.00
(b) Other Equity	17	(91.51)	(85.80)
Total Equity (A)		(86.51)	(80.80)
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Other Financial Liabilities	20	-	-
(b) Provisions	21	-	-
(c) Other Non-Current Liabilities	22	-	-
Total Non-Current Liabilities (B)		**-**	**-**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables	19		-
Total Outstanding dues of micro and small enterprises			
Total Outstanding dues of creditors other than micro and small enterprises		8.49	7.57
(iii) Other Financial Liabilities	20	12,295.84	7,244.44
(b) Other Current Liabilities	23	5.51	7.20
(c) Provisions	21	-	-
Total Current Liabilities (C)		**12,309.84**	**7,259.21**
Total Equity and Liabilities (A+B+C)		**12,223.33**	**7,178.41**

The Accompanying Notes form an integral part of the Financial Statements.

For and behalf of Board of Directors

Sd/- **(P.K Panda)** Chief Financial Officer	Sd/- **(S.K. Sinha)** CEO	**For S. Kakkad & Associates** **Chartered Accountants** **Firm Reg. No. - 317066E**
Sd/- **(Keshav Rao)** Director DIN: 08651284	Sd/- **(O.P Singh)** Chairman DIN: 07627471	**(CA Sunil Kakkad)** **Proprietor** **(Membership No. 053159)**

Date :
Place : SAMBALPUR

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2020

(₹ in Lakhs)

		Note	For the Period ended 31.03.2021	For the Period ended 31.03.2020
	Revenue from Operations			
A	Sales (Net of other levies)	24	-	-
B	Other Operating Revenue (Net of other levies)			
(I)	**Revenue from Operations (A+B)**			
(II)	Other Income	25	2.24	2.02
(III)	**Total Income (I+II)**		**2.24**	**2.02**
(IV)	**EXPENSES**			
	Cost of Materials Consumed	26	-	-
	Changes in inventories of finished goods/work in progress and Stock in trade	27	-	-
	Employee Benefits Expense	28	-	-
	Power Expense		-	-
	Corporate Social Responsibility Expense	29	-	-
	Repairs	30	-	-
	Contractual Expense	31	-	-
	Finance Costs	32	-	-
	Depreciation/Amortization/ Impairment		-	-
	Provisions	33	-	-
	Write off	34	-	-
	Other Expenses	35	7.94	85.17
	Total Expenses (IV)		**7.94**	**85.17**
(V)	**Profit before exceptional items and Tax (III-IV)**		(5.71)	(83.15)
(VI)	Exceptional Items		-	-
(VII)	**Profit before Tax (V-VI)**		(5.71)	(83.15)
(VIII)	Tax expense	36	-	-
(IX)	**Profit for the period from continuing operations (VII-VIII)**		(5.71)	(83.15)
(X)	Profit/(Loss) from discontinued operations		-	-
(XI)	Tax exp of discontinued operations		-	-
(XII)	Profit/(Loss) from discontinued operations (after Tax) (X-XI)		-	-
(XIII)	Share in JV's/Associate's profit/(loss)		-	-
(XIV)	**Profit for the Period (IX+XII+XIII)**		(5.71)	(83.15)
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	37	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(XV)	**Total Other Comprehensive Income**		**-**	**-**

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2021 Contd ...

(₹ in Lakhs)

		Note	For the Period ended 31.03.2021	For the Period ended 31.03.2020
(XVI)	**Total Comprehensive Income for the year (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		(5.71)	(83.15)
	Profit attributable to:			
	Owners of the company		(5.71)	(83.15)
	Non-controlling interest		-	-
	Other Comprehensive Income attributable to:			
	Owners of the company		-	-
	Non-controlling interest		-	-
	Total Comprehensive Income attributable to:			
	Owners of the company		(5.71)	(83.15)
	Non-controlling interest		-	-
(XVII)	Earnings per equity share (for continuing operation):			
	(1) Basic		(11.42)	(166.30)
	(2) Diluted		(11.42)	(166.30)
(XVIII)	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
(XIX)	Earnings per equity share (for discontinued & continuing operation):			
	(1) Basic		(11.42)	(166.30)
	(2) Diluted		(11.42)	(166.30)

The Accompanying Notes form an integral part of the Financial Statements.

For and behalf of Board of Director

Sd/- **(P.K Panda)** Chief Financial Officer	Sd/- **(S.K. Sinha)** CEO	**For S. Kakkad & Associates** **Chartered Accountants** **Firm Reg. No. - 317066E**
Sd/- **(Keshav Rao)** Director DIN: 08651284	Sd/- **(O.P Singh)** Chairman DIN: 07627471	**(CA Sunil Kakkad)** **Proprietor** **(Membership No. 053159)**

Date :
Place : SAMBALPUR

CASH FLOW STATEMENT (INDIRECT METHOD)

(₹ in Lakhs)

	For the Period ended 31.03.2021	For the Period ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income before tax	(5.71)	(83.15)
Adjustments for :	-	-
Depreciation / Impairment of Fixed Assets	-	-
Interest from Bank Deposits	-	-
Finance cost related to financing activity	-	-
Interest / Dividend from investments	-	-
Profit / Loss on sale of Fixed Assets	-	-
Provisions made & write off during the period	-	-
Liability write back during the period	-	-
Operating Profit before Current/Non Current Assets and Liabilities	**(5.71)**	**(83.15)**
Adjustment for :	-	-
Trade Receivables	-	-
Inventories	-	-
Short/Long Term Loans/Advances & Other Current Assets	20.78	(207.21)
Short/Long Term Liablities and Provisions	5,050.63	2,848.42
Cash Generated from Operation	**5,071.41**	**2,641.21**
Income Tax Paid/Refund	-	-
Net Cash Flow from Operating Activities (A)	**5,065.70**	**2,558.06**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,039.28)	(2,516.51)
Investment in Bank Deposit	-	-
Change in investments	-	-
Investment in joint venture	-	-
Interest pertaining to Investing Activities	-	-
Interest / Dividend from investments	-	-
Net Cash from Investing Activities (B)	**(5,039.28)**	**(2,516.51)**

CASH FLOW STATEMENT (INDIRECT METHOD) Contd ...

(₹ in Lakhs)

	For the Period ended 31.03.2021	For the Period ended 31.03.2020
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	-
Repayment of Borrowings	-	-
Short Term Borrowings	-	-
Interest & Finance cost pertaining to Financing Activities	-	-
Receipt of Shifting & Rehabilitation Fund	-	-
Dividend & Dividend Tax	-	-
Buyback of Equity Share Capital	-	-
Net Cash used in Financing Activities (C)	**-**	**-**
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)	**26.41**	**41.55**
Cash & Bank Balance (opening balance)	**52.11**	**10.56**
Cash & Bank Balance (closing balance)	**78.52**	**52.11**

(All figures in bracket represent outflow.)

Sd/-
(P.K Panda)
Chief Financial Officer

Sd/-
(S.K. Sinha)
CEO

For S. Kakkad & Associates
Chartered Accountants
Firm Reg. No. - 317066E

Sd/-
(Keshav Rao)
Director
DIN: 08651284

Sd/-
(O.P Singh)
Chairman
DIN: 07627471

(CA Sunil Kakkad)
Proprietor
(Membership No. 053159)

Date :
Place : SAMBALPUR

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2021

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01.04.2019	Changes In Equity Share Capital during the year	Balance as at 31.03.2020	Balance as at 01.04.2020	Changes In Equity Share Capital during the year	Balance as at 31.03.2021
50000 Equity Shares of ₹10/- each	5.00	-	5.00	5.00	-	5.00

B. OTHER EQUITY

	Other Reserves		General Reserve	Retained Earnings (Surplus)	Other Comprehensive Income	Total
	Capital Redemption reserve	Capital reserve				
Balance as at 01.04.2019	-	-	-	(2.65)	-	(2.65)
Other adjustment			-	-		-
Changes in Accounting policy	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-
Restated balance as at 01.04.2019	**-**	**-**	**-**	**(2.65)**	**-**	**(2.65)**
Additions during the year	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Profit for the year	-	-	-	(83.15)	-	(83.15)
Remeasurement of Defined Benefit Plans (net of Tax)	-	-	-	-	-	-
Appropriations						
Transfer to General Reserve.	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.03.2020	**-**	**-**	**-**	**(85.80)**	**-**	**(85.80)**
Additions during the period	-	-	-	-	-	-
Adjustments during the period	-	-	-	-	-	-
Profit for the period	-	-	-	(5.71)	-	(5.71)
Remeasurement of Defined Benefit Plans (net of Tax)	-	-	-	-	-	-
Appropriations	-	-	-	-	-	-
Transfer to General Reserve.	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-
Balance as at 31.03.2021	**-**	**-**	**-**	**(91.51)**	**-**	**(91.51)**

Note: 1 CORPORATE INFORMATION

Company Overview

A Memorandum of Understanding (MoU) was signed between Mahanadi Coalfields Limited (MCL), IRCON International Limited (IRCON) and Odisha Industrial Infrastructure Development Corporation (IDCO) to create a Special Purpose Vehicle (SPV) for developing Rail Corridor in the state of Odisha, accordingly, a separate Company was established in the name of Mahanadi Coal Railway Limited (MCRL) with an equity participation ratio of 64:26:10, incorporated on 31st of August 2015. Such a venture creates synergy by seeking administrative support from Central and State Govt., Technical support from Railways and commercial support from MCL to meet the logistic challenges faced by coalmines. It has been conceptualized to sustain in the venture through a participative business model by investing in rail infrastructure and sharing of revenue generated from the traffic out of rail corridor.

As per MoU, IDCO share of equity shall correspond to the value of land provided by the Govt. of Odisha (GoO) or 10 % whichever is more. If the value of land provided by GoO exceeds 10 % of the equity, the shareholding percentage of IDCO and MCL shall stand modified accordingly. GoO shall provide land owned by state govt. (Revenue and Forest land) and value of such land shall be adjusted towards its equity. Cost of compensatory afforestation, net present value, wildlife management plan, demarcation, felling and other charges for diversion proposal of forest plan under Forest Conservation Act shall be borne by MCRL. It has been envisaged to carry out preliminary activities through IRCON, having domain expertise on railway projects and to act as implementing agency for undertaking the construction work in two phases. MCRL shall enter into separate agreements with Ministry of Railways for Concession, Operation & Maintenance of assets.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015.

For all periods up to and including the year ended 31stMarch 2016, the Company prepared its financial statements in accordance withAccounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP).

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments in para 2.11).

2.1.1 Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, have been rounded off to 'rupees in Lakh'upto two decimal points.

2.2 Current and non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset 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.

An entity shall classify a liability as current when:

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

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

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

All other liabilities are classified as non-current.

2.3 Revenue recognition

Ind AS 115, Revenue from Contracts with Customers supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue recognition, and it applies to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which a Company expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The principles in Ind AS 115 are applied using the following five steps:

Step 1 : Identifying the contract:

The Company account for a contract with a customer only when all of the following criteria are met:

a) the parties to the contract have approved the contract and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The amount of consideration to which the Company will be entitled may be less than the price stated in the contract if the consideration is variable because the Company may offer the customer a price concession, discount, rebates, refunds, credits or be entitled to incentives, performance bonuses, or similar items.

Combination of contracts

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

a) the contracts are negotiated as a package with a single commercial objective;

b) the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or

c) the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Contract modification

The Company account for a contract modification as a separate contract if both of the following conditions are present:

a) the scope of the contract increases because of the addition of promised goods or services that are distinct and

b) the price of the contract increases by an amount of consideration that reflects the company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

Step 2 : Identifying performance obligations:

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

a) a good or service (or a bundle of goods or services) that is distinct; or

b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Step 3 : Determining the transaction price

The Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

When determining the transaction price, an Company consider the effects of all of the following:

- Variable consideration;
- Constraining estimates of variable consideration;
- The existence of significant financing component;
- Non – cash consideration;
- Consideration payable to a customer.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if the company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

In some contracts, penalties are specified. In such cases, penalties are accounted for as per the substance of the contract. Where the penalty is inherent in determination of transaction price, it form part of variable consideration.

The Company includes in the transaction price some or all of an amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount ofcumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between when it transfers a promised goods or service to a customer and when the customer pays for that good or service will be one year or less.

The Company recognizes a refund liability if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

After contract inception, the transaction price can change for various reasons, including the resolution of uncertain events or other changes in circumstances that change the amount of consideration to which the Company expects to be entitled in exchange for the promised goods or services.

Step 4 : Allocating the transaction price:

The objective when allocating the transaction price is for the Company to allocate the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

To allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Company determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocate the transaction price in proportion to those stand-alone selling prices.

Step 5 : Recognizing revenue:

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) the customer obtains control of that good or service.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

a) the customer simultaneously receives and consumes the benefits provided by the company's performance as the Company performs;
b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For each performance obligation satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation.The Company applies a single method of measuring progress for each performance obligation satisfied over time and the Company applies that method consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company re-measure its progress towards complete satisfaction of a performance obligation satisfied over time.

Company apply output methods to recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced or units delivered.

As circumstances change over time, the Company update its measure of progress to reflect any changes in the outcome of the performance obligation. Such changes to the Company's measure of progress is accounted for as a change in accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The Company recognizes revenue for a performance obligation satisfied over time only if the Company can reasonably measure its progress towards complete satisfaction of the performance obligation. When (or as) a performance obligation is satisfied, the company recognize as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained that is allocated to that performance obligation.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time. To determine the point in time at which a customer obtains control of a promised good or service and the Company satisfies a performance obligation, the Company consider indicators of the transfer of control, which include, but are not limited to, the following:

a) the Company has a present right to payment for the good or service;

b) the customer has legal title to the good or service;

c) the Company has transferred physical possession of the good or service;

d) the customer has the significant risks and rewards of ownership of the good or service;

e) the customer has accepted the good or service.

When either party to a contract has performed, the Company present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment. The Company present any unconditional rights to consideration separately as a receivable.

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, acontract liability is recognized when the payment made or due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Interest

Interest income is recognised using the Effective Interest Method.

Dividend

Dividend income from investments is recognised when the rights to receive payment is established.

Other Claims

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realization and can be measured reliably.

2.4 Grants from Government

Government Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs against which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit or loss under the general heading ‘Other Income’.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs, is recognised in profit or loss of the period in which it becomes receivable.

2.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.5.1 Company as a lessee

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date.

Subsequently, right-of-use asset is measured using cost model whereas, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

2.5.2 Company as a lessor

All leases as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset

Operating leases-lease payments from operating leases are recognised as income on either a straight-line basis unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Finance leases-assets held under a finance lease is initially recognised in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease.

Subsequently, finance income is recognized over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease."

2.6 Property, Plant and Equipment (PPE)

Land will be carried at historical cost. Historical cost includes expenditures which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

After recognition, an item of allother Property, plant and equipmentare carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts of an item of property, plant and equipment are recognised in the carrying amount of the item, if 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 those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if 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. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Other Land

(Incl. Leasehold Land): Life of the project or lease term whichever is lower

Building	:	3-60 years
Roads	:	3-10 years
Telecommunication	:	3-9 years
Railway Sidings	:	15 years
Plant and Equipment	:	5-30 years
Computers and Laptops	:	3 Years
Office equipment	:	3-6 years
Furniture and Fixtures	:	10 years
Vehicles	:	8-10 years

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset.

The estimated useful life of the assets is reviewed at the end of each financial year.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Value of “Other Lands” includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc., which will be amortised on the basis of the balance life of the project; and in case of Leasehold landsuch amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, retired from active use will be disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

Capital Expenses incurredby the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

Transition to Ind AS

The company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP.

2.7 Development Expenditure

When the Alignment Plans of Rail Corridors are determined and development of projects is sanctioned,FSR & DPR cost is recognised as assets under construction and disclosed as a component of capital work in progress under the head “Development” of ‘Railway Siding/Rail Infrastructure’. All subsequent development expenditure is also capitalised.

<u>Commercial Operation</u>

The project will be brought to revenue; when commercial readiness of a project/rail corridor to yield operation on a sustainable basis is establishedeither on the basis of conditions specifically stated in the project report or on thebasis of the following criteria:

(a) From the beginning of the financial year in which the revenue from operation will be more than total, expenses.

On being brought to revenue, the assets under capital work in progress are reclassified as a component of property, plant and equipment under the nomenclature “Rail Infrastructure”.

2.8 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition,intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

An intangible asset with an indefinite useful life is not amortized but is tested for impairment at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

2.9 Impairment of Assets

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.Company considers individual Corridor/Section as separate cash generating units for the purpose of test of impairment.

2.10 Investment Property

Property (land or a buildingor part of a buildingor both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

2.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Financial assets

2.11.1.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.11.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.11.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.11.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.11.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.11.2.4 Equity investments in subsidiaries, associates and Joint Ventures

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries, associates and joint ventures are measured at cost.

2.11.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrumentby-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.11.2.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.11.2.7 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

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

2.11.3 Financial liabilities

2.11.3.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.11.3.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.11.3.3 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.11.3.4 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.11.3.5 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.11.4 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.11.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Borrowing Costs

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

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from “profit before income tax” as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that arerecognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.14 Reported Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

2.15 Provisions, Contingent Liabilities &Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

ContingentAssets are not recognized in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.16 Earnings per share

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

2.17 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period.Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.17.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.17.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable informationabout the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

a) relevant to the economic decision-making needs of users and

b) reliable in that financial statements:

   (i) represent faithfully the financial position, financial performance and cash flows of the entity;

   (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;

   (iii) are neutral, i.e. free from bias;

   (iv) are prudent; and

   (v) are complete in all material respects on a consistent basis

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

(a) the requirements in Ind ASs dealing with similar and related issues; and

(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.17.1.2 Materiality

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or groups of the item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses the judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances, either the nature or the amount of an item or aggregate of items could be the determining factor. Further, the Company may also be required to present separately immaterial items when required by law.

W.e.f. 01.04.2019 Errors/omissions discovered in the current year relating to prior periods may be treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate do not exceed **1% of total assets as per the last audited financial statement of the Company.**

2.17.1.3 Operating lease

The Company will determine, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.17.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.17.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual Corridor/Section as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other railway infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.17.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 38_.

2.17.2.3Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.17.2.4Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a project report is formulated by IRCON International Limited.

2.18 Inventories

2.18.1 Stores & Spares

The Stock of stores & spare parts (which also includes loose tools) at central & area stores are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling camps/ consuming centres are considered at the yearend only as per physically verified stores and are valued at cost.

Provisions are made at the rate of 100% for unserviceable, damaged and obsolete stores and spares and at the rate of 50% for stores & spares not moved for 5 years.

2.17.3 Other Inventories

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost.

However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

2.18 Abbreviation used:

a.	CGU	Cash generating unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	GAAP	Generally accepted accounting principal
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY , PLANT AND EQUIPMENT

(₹ in Lakhs)

	Free-hold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equip-ments	P&M in Stores	Tele commu-nication	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Vehicles	Aircraft	Other Infra structure	Sur-veyed off Assets	Others	Total
Gross Carrying Amount:																
As at 1st April 2019	-	-	-	-	-		-	-	32.96	0.63	-	-	-	-	-	33.59
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**32.96**	**0.63**	**-**	**-**	**-**	**-**	**-**	**33.59**
As at 1st April 2020	-	-	-	-	-	-	-	-	32.96	0.63	-	-	-	-	-	33.59
Additions	-	-	-	-	-	-	-	-	-	1.39	-	-	-	-	-	1.39
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-	-	-	32.96	2.02	-	-	-	-	-	34.98
Accumulated Depreciation and Impairment																
As at 1st April 2019	-	-	-	-	-	-	-	-	6.10	0.42	-	-	-	-	-	6.52
Charge for the year	-	-	-	-	-	-	-	-	3.02	0.20	-	-	-	-	-	3.22
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2020	-	-	-	-	-	-	-	-	9.12	0.62	-	-	-	-	-	9.74
As at 1st April 2020	-	-	-	-	-	-	-	-	9.12	0.62	-	-	-	-	-	9.74
Charge for the year	-	-	-	-	-	-	-	-	3.02	0.20	-	-	-	-	-	3.22
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	0.51	-	-	-	-	-	0.51
As at 31st March, 2021	-	-	-	-	-	-	-	-	12.14	1.33	-	-	-	-	-	13.47
Net Carrying Amont																
As at 31st March, 2021	-	-	-	-	-		-	-	20.82	0.69	-	-	-	-	-	21.51
As at 31st March, 2020	-	-	-	-	-		-	-	23.84	0.01	-	-	-	-	-	23.85

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(₹ in Lakhs)

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Other infrastructure/ Development	Rail Corridor under Construction	Others	Total
Gross Carrying Amount:							
As at 1st April 2019	-	-		658.60	3,066.82	-	3,725.42
Additions	-	-		341.44	2,178.29	-	2,519.73
Capitalisation	-	-	-	-	-	-	-
Adjustment/ Deletions				-	-	-	
As at 31st March, 2020	-	-	-	1,000.04	5,245.11	0.00	6,245.15
							-
As at 1st April 2020	-	-	-	1,000.04	5,245.11	-	6,245.15
Additions	-	-		437.79	949.74	-	1,387.53
Capitalisation	-	-		-	-	-	-
Adjustment/ Deletions				-	-	-	-
As at 31st March, 2021	-	-	-	1,437.93	9,848.84	0.00	11,286.77
							-
Provision and Impairment							
As at 1st April 2019	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March 2020	-	-	-	-		-	-
							-
As at 1st April 2020	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-	-
Net Carrying Amont							
As at 31st March, 2021	-	-		1,437.93	9,848.84	0.00	11,286.77
As at 31st March, 2020	-	-	-	1,000.04	5,245.11	0.00	6,245.15

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 9 : OTHER FINANCIAL ASSETS

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Non Current		
Bank Deposits		
Security Deposit for utilities	-	-
Less : Allowance for doubtful deposits	-	-
	-	-
Other Deposit and Receivables	-	-
Less : Allowance for doubtful deposits & receivables	-	-
	-	-
TOTAL	**-**	**-**
Current		
Current maturities of long term loan		
Interest accrued	0.01	1.47
Claims & other receivables	0.94	1.46
Less : Allowance for doubtful claims	-	-
	0.94	1.46
TOTAL	**0.95**	**2.93**

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 10 : OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
(i) Capital Advances	833.15	852.34
Less : Provision for doubtful advances		
	833.15	**852.34**
(ii) Advances other than capital advances		
(a) Security Deposit for utilities	1.48	1.48
Less : Provision for doubtful deposits		
	1.48	**1.48**
(b) Other Deposits and Advances		
Less : Provision for doubtful deposits		
	-	**-**
(c) Advances to related parties	**-**	**-**
TOTAL	**834.63**	**853.81**

NOTE - 11 : OTHER CURRENT ASSETS

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
(a) Advance for Revenue (goods & services)	-	-
Less : Provision for doubtful advances		
	-	**-**
(b) Advance payment of statutory dues		
Less : Provision for doubtful advances		
	-	**-**
(c) Advance to Related Parties	-	-
(d) Other Advances and Deposits	0.72	0.02
Less : Provision for doubtful advances		
	0.72	**0.02**
(e) Input Tax Credit Receivable	**-**	**-**
Less: Provision		
TOTAL	**0.72**	**0.02**

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 14 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
(a) Balances with Banks		
in Deposit Accounts	-	-
in Current Accounts		
a. Interest bearing (CLTD Accounts etc)	50.23	51.64
b. Non-Interest bearing	28.29	0.47
in Cash Credit Accounts		
(b) Bank Balances outside India	-	-
(c) Cheques, Drafts and Stamps in hand	-	-
(d) Cash on hand	-	-
(e) Cash on hand outside India	-	-
(f) Others	-	-
Total Cash and Cash Equivalents	78.52	52.11

Note:

1 Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.

2 The balances as per bank statements are:-Interest Bearing (CLTD) Account- ₹ 50.23 lakhsNon-Interest Bearing- ₹ 28.29 lakhsThe variation in balances as compared to Note-14 (a) is NIL. The balances are duly reconciled through bank reconciliation statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 16 : EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Authorised		
10,0000,000 Equity Shares of ₹ 10/- each	10,000.00	10,000.00
Issued, Subscribed and Paid-up		
50,000 Equity Shares of ₹ 10/- each	5.00	5.00
	5.00	**5.00**

1 Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No.of Shares Held (Face value of ₹ 10 each)	% of Total Shares
Mahanadi Coalfields Limited and its nominees	32000	64
IRCON International Limited and its nominees	13000	26
Odisha Industrial Infrastructure Development Corporation	5000	10
TOTAL	**50000**	**100**

2) During the Period, there is no change in the number of shares.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 17 : OTHER EQUITY

(₹ in Lakhs)

	Other Reserves		General Reserve	Retained Earnings (Surplus)	Other Comprehensive Income	Total Equity
	Capital Redemption reserve	Capital reserve				
Balance as at 01.04.2019				(2.65)		(2.65)
Other Adjustment	-	-	-	-	-	-
Changes in Accounting policy	-	-	-	-	-	-
Prior period adjustments	-	-	-	-	-	-
Restated balance as at 01.04.2019	-	-	-	**(2.65)**	-	**(2.65)**
Addition during the year/Transfer from retained earnings	-	-	-	-	-	-
Adjustments during the year	-	-	-		-	
Profit for the Year	-	-	-	(83.15)	-	(83.15)
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	-
Appropriations						
Transfer to Retained Earnings (HQ)	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.03.2020	-	-	-	**(85.80)**	-	**(85.80)**
Addition during the period/Transfer from retained earnings	-	-	-	-	-	-
Adjustments during the Period	-	-	-	-	-	-
Profit for the Period	-	-	-	(5.71)	-	(5.71)
Remeasurement of Defined Benefits Plans (net of Tax)	-	-	-	-	-	-
Appropriations						
Transfer to / from General reserves	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-
Balance as at 31.12.2021	-	-	-	**(91.51)**	-	**(91.51)**

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 19 :TRADE PAYABLES

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Current		
Micro, Small and Medium Enterprises		
Other Trade Payables for	-	-
Stores and Spares		
Power and Fuel	-	-
Others expenses	-	-
TOTAL	-	-
	78.93	37.17
	7.57	8.85
	86.50	**46.02**

Ageing of dues to MSME and interest thereon if any

Period	As at 31.03.2021	As at 31.03.2020
Dues within 15 days	-	-
Dues within 16 to 30 days	-	-
Dues within 31 to 45 days	-	-
Dues beyond 45 days	-	-
Total MSME creditors		

Note:	As at 31.03.2021	As at 31.03.2020
Trade Payable - Total outstanding dues of Micro & Small enterprises		
a) Principal & Interest amount remaining unpaid but not due as at period end	-	-
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) Interest accrued and remaining unpaid as at period end	-	-
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 20 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31.03.2021	As at 31.03.2020
Non Current		
Security Deposits	-	-
Earnest Money	-	-
Others	-	-
	-	-
Current		
Current Account with MCL	-	-
Current Account with IRCON	10,671.59	6,588.84
Current maturities of long-term debt	44.00	44.00
Unpaid dividends	-	-
Security Deposits	-	-
Earnest Money	0.60	-
Payable for Capital Expenditure	1,010.18	305.00
Liability for Salary, Wages and Allowances	137.62	78.93
Others	431.85	227.67
TOTAL	**12,295.84**	**7,244.44**

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 23 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	For the Period ended 31.03.2021	For the Period ended 31.03.2020
Statutory Dues	5.51	7.20
	5.51	**7.20**
Advance from customers / others		-
Others liabilities	-	-
TOTAL	**5.51**	**7.20**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 25 : OTHER INCOME

(₹ in Lakhs)

	For the Period ended 31.03.2021	For the Period ended 31.03.2020
Interest Income	2.24	2.02
Dividend Income	-	-
Others		
Profit on Sale of Assets	-	-
Gain on Foreign exchange Transactions	-	-
Lease Rent	-	-
Liability Written Back	-	-
Provision Written Back	-	
Fair value changes (net)	-	-
Miscellaneous Income	-	-
Total	**2.24**	**2.02**

NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

NOTE 35 : OTHER EXPENSES

	For the Period ended 31.03.2021	For the Period ended 31.03.2020
Travelling expenses	2.89	1.92
Training Expenses	-	-
Telephone & Postage	0.27	0.65
Advertisement & Publicity	-	-
Freight Charges	-	-
Security Expenses	-	-
Service charges of Holding Company	-	-
Hire Charges	-	-
Legal Expenses	-	76.10
Bank Charges	0.01	0.01
Printing and stationary	0.93	0.57
Consultancy Charges	0.41	0.35
Loss on Sale/Discard/Surveyed of Assets	-	-
Auditor's Remuneration & Expenses	-	-
For Audit Fees	0.90	0.90
For Taxation Matters	-	-
For Other Services	-	-
For Reimbursement of Exps.	0.45	0.46
Internal & Other Audit Expenses	-	-
Rent	-	-
Rates & Taxes	-	-
Insurance	-	-
Loss on Exchange rate variance	-	-
Contractual expenses -	-	3.79
R & D expenses	-	-
Environmental & Tree Plantation Expenses	-	-
Miscellaneous expenses	2.07	0.43
Total	**7.94**	**85.17**

NOTE – 38:

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2021

1. Fair Value Measurement

(₹ in Lakhs)

(a) Financial Instruments by Category

	31st March 2021		31st March 2020	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost
Financial Assets	0.00	0.00	0.00	0.00
Investments :	0.00	0.00	0.00	0.00
Secured Bonds	0.00	0.00	0.00	0.00
Co-Operative Shares	0.00	0.00	0.00	0.00
Mutual Fund/ICD	0.00	0.00	0.00	0.00
Loans	0.00	0.95	0.00	2.93
Deposits & receivable	0.00	0.00	0.00	0.00
Trade receivables	0.00	78.52	0.00	52.11
Cash & cash equivalents	0.00	0.00	0.00	0.00
Other Bank Balances	0.00	0.00	0.00	0.00
Financial Liabilities				
Borrowings	0.00	0.00	0.00	0.00
Trade payables*	0.00	8.49	0.00	7.57
Security Deposit and Earnest money	0.00	0.60	0.00	0.00
Other Liabilities*	0.00	12295.24	0.00	7244.44

(b) Fair value hierarchy

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value	31.03.2021		31.03.2020	
	Level 1	Level 3	Level 1	Level 3
Financial Assets at FVTPL				
Investments :				
Mutual Fund/ICD	0.00	0.00	0.00	0.00

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	31.03.2021		31.03.2020	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investments :	0.00	0.00	0.00	0.00
Secured Bonds	0.00	0.00	0.00	0.00
Co-Operative Share	0.00	0.00	0.00	0.00
Loans	0.00	0.00	0.00	0.00
Deposits & receivable	0.00	0.95	0.00	2.93
Trade receivables	0.00	0.00	0.00	0.00
Cash & cash equivalents	0.00	78.52	0.00	52.11
Other Bank Balances	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00
Financial Liabilities				
Borrowings	0.00	0.00	0.00	0.00
Trade payables	0.00	8.49	0.00	7.57
Security Deposit and Earnest money	0.00	0.60	0.00	0.00
Other Liabilities	0.00	12295.24	0.00	7244.44

A brief of each level is given below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes Mutual fund which is valued using closing Net Asset Value (NAV) as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize 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 investments, security deposits and other liabilities included in level 3.

(c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include the use of quoted market prices (NAV) of instruments in respect of investment in Mutual Funds.

(d) Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

(e) Fair values of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.

The Company considers that the Security Deposits does not include a significant financing component. Security deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the Company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

Significant estimates: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a method and makes suitable assumptions at the end of each reporting period.

Financial Risk Management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that is derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises, inter alia, on financial risks and the appropriate financial risk governance framework for the Company. The risk committee provides assurance to the Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset measured at amortised cost	Ageing analysis / Credit rating	Department of public enterprises (DPE guidelines), diversification of bank deposits credit limits and other securities
Liquidity Risk	Borrowings and other liabilities	Yearly cash flows	Availability of committed credit lines and borrowing facilities
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets and liabilities not denominated in INR	Cash flow forecast sensitivity analysis	Regular watch and review by senior management and audit committee.
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of public enterprises (DPE guidelines), Regular watch and review by senior management and audit committee.

The Company risk management is carried out by the board of directors as per DPE guidelines issued by Government of India. The board provides written principles for overall risk management as well as policies covering investment of excess liquidity.

Credit risk management:

Receivables arise mainly out of sale of Coal. Sale of Coal is broadly categorized as sale through fuel supply agreements (FSAs) and e-auction.

Macro - economic information (such as regulatory changes) is incorporated as part of the fuel supply agreements (FSAs) and e-auction terms.

Provision for expected credit loss: The Company provides for expected credit risk loss for doubtful/ credit impaired assets, by lifetime expected credit losses (Simplified approach). Expected Credit Losses for trade receivables under simplified approach:-

As at 31.03.2021 **(₹ in lakh)**

Ageing	Due for 2 months	Due for 6 months	Due for 1 months	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expected loss rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expected credit losses (Loss allowance provision)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

As at 31.03.2020 **(₹ in lakh)**

Ageing	Due for 2 months	Due for 6 months	Due for 1 months	Due for 2 year	Due for 3 year	Due for more than 3 year	Total
Gross carrying amount	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expected loss rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expected credit losses (Loss allowance provision)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Reconciliation of loss allowance provision – Trade receivables **(₹ in lakh)**

Loss allowance on 01.04.2020	0.00
Change in loss allowance	0.00
Loss allowance on 31.03.2021	0.00

Significant estimates and judgments for Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in accordance with practice and limits set by the Company.

Market risk

a) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognised assets or liabilities denominated in a currency that is not the Company's functional currency(INR).The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk in respect of foreign operation is considered to be insignificant. The Company also imports and risk is managed by regular follow up. Company has a policy which is implemented when foreign currency risk becomes significant.

b) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from bank deposits with change in interest rate exposes the Company to cash flow interest rate risk. Company policy is to maintain most of its deposits at fixed rate.

Company manages the risk using guidelines from Department of public enterprises (DPE), diversification of bank deposits credit limits and other securities.

Capital management

The Company being a government entity manages its capital as per the guidelines of Department of investment and public asset management under ministry of finance.

(₹ in lakh)

Capital Structure of the Company is as follows:

	31.03.2021	**31.03.2020**
Equity Share capital	5.00	5.00
Long term debt	0.00	0.00

Employee Benefits: Recognition and Measurement (Ind AS-19)

Employees are deputed from MCL and IRCON, Salary is paid by the parent company and necessary debit transferred to the company.

Unrecognized items

a) Contingent Liabilities

I. Claims against the Company not acknowledged as debt

(₹ in lakh)

	Central Govt.	State Govt. and Local authorities	Central Public Sector Enterprises	Others	Total
Opening as on 01.04.2020	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Addition during the period	0.00	0.00	0.00	0.00	0.00
Claim settled during the period					
a. From Opening Balance	0.00	0.00	0.00	0.00	0.00
b. Out of addition during the period	0.00	0.00	0.00	0.00	0.00
Closing as on 31.03.2021	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

(₹ in lakh)

Contingent Liability

Sl. No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	**Central Government**		
	Income Tax	0.00	0.00
	Central Excise	0.00	0.00
	Clean Energy Cess	0.00	0.00
	Central Sales Tax	0.00	0.00
	Service Tax	0.00	0.00
	Others (Please Specify)	0.00	0.00
	Sub-Total	**0.00**	**0.00**
2	**State Government and Local Authorities**		
	Royalty	0.00	0.00
	Environment Clearance	0.00	0.00
	Sales Tax/VAT	0.00	0.00
	Entry Tax	0.00	0.00
	Others	0.00	0.00
	Sub-Total	**0.00**	**0.00**
3	**Central Public Sector Enterprises**		
	Arbitration Proceedings	0.00	0.00
	Suit against the company under litigation	0.00	0.00

	Others(Please Specify)	0.00	0.00
	Sub-Total	0.00	0.00
4	**Others: (If any)**		
	Miscellaneous - Land & Others	0.00	0.00
	Employee Related & Etc.	0.00	0.00
	Sub-Total	**0.00**	**0.00**
	Grand Total	**0.00**	**0.00**

The management of the Company believes that the outcome of the above will not have any material adverse effect on the Company.

II. Guarantee

As on 31.03.2021 Bank guarantee issued is ₹ 0.00 lakh (₹ 0.00 lakh).

III. Letter of Credit

As on 31.03.2021 outstanding letter of credit is ₹ 0.00lakh (₹ 0.00 lakh).

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for: ₹ 0.00 lakh (₹ 0.00 lakh).

Other Commitments: ₹ 0.00 lakh (₹ 0.00 lakh).

5 Other Information

a) Provisions

The position and movement of various provisions as per Ind AS-37 except those relating to employee benefits which are valued actuarially, for the period ended 31.03.2021 are given below:

(₹ in lakhs)

Provisions	Opening Balance as on 01.04.2020	Addition during the period/year	Write back/ Adj./Paid during the period	Closing Balance as on 31/03/2021
Note 3:- Property, Plant and Equipments	-	-	-	-
Impairment of Assets :	-	-	-	-
Note 4:- Capital Work in Progress :	-	-	-	-
Against CWIP :	-	-	-	-
Note 5:- Exploration And Evaluation Assets	-	-	-	-
Provision and Impairment :	-	-	-	-
Note 8:- Loans :	-	-	-	-
Other Loans :	-	-	-	-
Note 9:- Other Financial Assets:	-	-	-	-

Security Deposit for utilities	-	-	-	-
Other Deposit and Receivables	-	-	-	-
Claims & other receivables	-	-	-	-
Note 10:- Other Non-Current Assets :	-	-	-	-
Capital Advances	-	-	-	-
Security Deposit for utilities	-	-	-	-
Other Deposits and Advances	-	-	-	-
Note 11:- Other Current Assets:	-	-	-	-
Advance for Revenue (goods & services)	-	-	-	-
Advance payment of statutory dues	-	-	-	-
Other Advances and Deposits	-	-	-	-
Note 13:-Trade Receivables	-	-	-	-
Provision for bad & doubtful debts :	-	-	-	-
Note 21 :- Non-Current & Current Provision :	-	-	-	-
Gratuity	-	-	-	-
Leave Encashment	-	-	-	-
Ex- Gratia	-	-	-	-
Performance Related Pay	-	-	-	-
Other Employee Benefits	-	-	-	-
Site Restoration/Mine Closure				
Stripping Activity Adjustment				
Others				

b) Segment Reporting

The Company is primarily engaged in a single segment business.

c)b) Segment Reporting

(₹ in lakhs)

Sl. No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
i)	Net profit after tax attributable to Equity Share Holders (¹ in Lakhs)	(₹ 5.71)	(₹ 83.15)
ii)	Weighted Average no. of Equity Shares Outstanding	50000	50000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹ 10/- per share)	(₹ 11.42)	(₹ 166.30)

d) Related Party Disclosures

The list of related parties is as follows : -

Mahanadi Basin Power Limited.

Shri O.P Singh	Chairman	01.03.2019
Shri S.K Mohanty	Director	01.06.2016
Shri S.L. Gupta	Director	25.08.2016
Shri M.K Singh	Director	01.11.2019
Shri Abhijeet Narendra	Director	02.08.2017
Shri K. Rao	Director	16.12.2020
Shri K. K Roul	Director	10.01.2020
Shri S. K. Sinha	CEO	24.12.2020
Shri B.K. Behera	COO	08.07.2019
Shri P. K. Panda	CFO	01.06.2020

Remuneration of Key Managerial Personnel

(₹ in lakhs)

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	For the year ended 31.03.2021	For the year ended 31.03.2020
i)	**Short Term Employee Benefits**		
	Gross Salary	0.00	0.00
	Medical Benefits	0.00	0.00
	Perquisites and other benefits	0.00	0.00
ii)	**Post-Employment Benefits**		
	Contribution to P.F. & other fund	0.00	0.00
iii)	**Termination Benefits**	0.00	0.00
	TOTAL	**0.00**	**0.00**

Payment to Independent Directors

(₹ in lakhs)

Sl. No.	Payment to Independent Directors	For the period ended 31.03.2021	For the period ended 31.03.2020
ii)	Sitting Fees	0	0

Balances Outstanding with Key Managerial Personnel

Sl. No.	Particulars	As at 31.03.2021	As at 31.03.2020
i)	Amount Payabl	Nil	Nil
ii)	Amount Receivable	Nil	Nil

e) Deferred tax Asset and Liability are being offset as they relate to taxes on income levied by the same governing taxation laws.

Deferred tax Asset/ Liability :

		31.03.2021	31.03.2020
A.	**Deferred Tax Assets:**		
	Provision for Doubtful Advances, Claims & Debts	0	0
	Employee Benefits	0	0
	Others	0	0
	TOTAL OF (A)	**0**	**0**
B.	**Deferred Tax Liability:**		
	Related to Fixed Assets	0	0
	Others	0	0
	TOTAL OF (B)	**0**	**0**
	Net Deferred Tax Asset/ (Deferred Tax Liability) (A-B)	**0**	**0**

f) Insurance and escalation claims

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

g) Provisions made in the Accounts

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

h) Current Assets, Loans and Advances etc.

In the opinion of the Management, assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

i) Current Liabilities

Estimated liability has been provided where actual liability could not be measured.

j) Balance Confirmations

Balance confirmation/reconciliation is carried out for cash &bank balances, certain loans & advances, long term liabilities and current liabilities. Provision is taken against all doubtful unconfirmed balances.

k**) Significant accounting policy:**

Significant accounting policy (Note-2) has been drafted to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under theCompanies (Indian Accounting Standards) Rules, 2015.

l) Impact of COVID-19 The area is taking continuous measures to combat the adverse impact of COVID-19 and has implemented manifold measures for ease of doing business. The area has considered the possible effects that may arise due to pandemic in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets as on 31st March 2021. The area will continue to closely monitor any material changes arising out of future economic conditions and the resultant impact on its business.

m) Recent pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendment revised Division I, II & III of Schedule III and are applicable from April 1, 2021. The Company is evaluating the effect of the amendments on its financial statements.

n) Others

i. Previous period/year's figures have been restated, regrouped and rearranged wherever considered necessary.

ii. Note – 1 and 2 represents Corporate information and Significant Accounting Policies respectively, Note 3 to 23 form part of the Balance Sheet as at 31.03.2021 and 24 to 37 form part of Statement of Profit & Loss for the quarter ended on that date. Note – 38 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 38.

On behalf of the Board

Sd/- **(P.K Panda)** Chief Financial Officer	**Sd/-** **(S.K. Sinha)** CEO	**For S. Kakkad & Associates** **Chartered Accountants** **Firm Reg. No. - 317066E**
Sd/- **(Keshav Rao)** Director DIN: 08651284	**Sd/-** **(O.P Singh)** Chairman DIN: 07627471	**(CA Sunil Kakkad)** **Proprietor** **(Membership No. 053159)**

Date :
Place : SAMBALPUR