



COASTAL ENERGEN PRIVATE LIMITED

(Under CIRP)

16TH ANNUAL REPORT

2021-2022



(1200 MW MUTIARA THERMAL POWER PLANT)

Registered Office: 7th Floor, Buhari Towers, 5 Moores Road, Chennai 600 006, Tamil Nadu, Tel – 044 4296 4296; Fax – 044 4296 4297

Plant: No 4/36-D, Duraisampuram Post, Melamaruthur Village, Ottapindaram Taluk, Tuticorin – 628 105, Tamil Nadu. Tel – 0461 261 4296; Fax – 0461 261 4297

CIN - U40102TN2006PTC060009; GSTIN 33AADCC0886G1ZU

Vision Statement

**“To be among India’s Most Inspirational Energy,
Infrastructure and Technology Companies”**



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| Mr. Ahmed A R Buhari - Chairman & Managing Director | | |
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| State Bank of India | Punjab National Bank | |
| Central Bank of India | Indian Overseas Bank | |
| Indian Bank | UCO Bank | |
| IFCI Limited | Bank of India | |
| Bank of Baroda | Jammu & Kashmir Bank | |
| Union Bank of India | HUDCO Limited | |
| Canara Bank | | |
| Tamilnadu Mercantile Bank Ltd | | |
| Statutory Auditors | | |
| M/S S Santhangopalan & Co (Registration # 003604S) | | |
| Chartered Accountants, Chennai. | | |
| Cost Auditors | | |
| M/S. B.Y Associates (Registration # 003498) | | |
| Cost Accountants, Chennai. | | |
| Secretarial Auditors | | |
| M/S. BP & Associates | | |
| Company Secretaries, Chennai. | | |
| Internal Auditors | | |
| PKF Sridhar & Santhanam LLP, Chennai. | | |

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COASTAL ENERGEN PRIVATE LIMITED

Registered Office: 7th Floor, Buhari Towers, 5 Moores Road, Chennai – 600006

CIN: U40102TN2006PTC060009

Notice of the 16th Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Coastal Energen Pvt Ltd will be held on Friday 30th September, 2022 at 11 a.m (IST) thru Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

BACKGROUND:

The Hon’ble National Company Law Tribunal, Chennai Bench, had vide its order dated February 4, 2022 admitted the application for the initiation of the Corporate Insolvency Resolution Process of Coastal Energen Private Limited in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time. Further, the NCLT vide its Order dated February 4, 2022 has appointed Mr. Radhakrishnan Dharmarajan, having IP registration No. IBBI/IPA-001/IP-P00508/2017-2018/10909, as the Interim Resolution Professional for the CIRP of the Company.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company comprising of the Balance Sheet as on March 31, 2022, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the financial year ended on March 31, 2022, together with the Report of the Directors and Auditors thereon.

SPECIAL BUSINESS

2. Ratification of Remuneration to the Cost Auditors

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. BY & Associates, Cost Accountants (Firm’s Registration No. 003498), appointed as the Cost Auditors of the Company by the Interim Resolution Professional for the conduct of the audit of the cost records of the Company for the financial year 2022 at a remuneration of 1,00,000 (Rupees One Lakh) plus reimbursement of the travelling and other out-of- pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Interim Resolution Professional of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

3. Appointment of Chairman & Managing Director

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution


“RESOLVED THAT pursuant to the provisions of Section 196 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under, as amended from time to time, read with Schedule V, to the extent applicable, of the Act, and Articles of Association of the Company, the approval of the Shareholders of the Company be and is hereby accorded to appoint Mr. Ahmed Buhari (DIN 00211221) as Chairman and Managing Director effective from May 12, 2020, for a period of 5 years upon the terms and conditions set out in the Agreement dated May 12, 2020.

“RESOLVED FURTHER THAT the Board of Directors and / or Company Secretary of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

RESOLVED FURTHER to authorize the Company Secretary of the Company to file the Form MGT-14 with the Registrar of Companies.

By Order of the Interim Resolution Professional

For Coastal Energen Pvt Ltd


Rathna Prabha

Company Secretary

FCS: 8105

Date: 08.09.2022

Place: Chennai

EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 2 of the accompanying Notice dated 8th September, 2022.

In respect of Item No: 2

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company. The Interim Resolution Professional of the Company has approved the appointment of M/s. BY & Associates, Cost Accountants as the Cost Auditor of the Company for the financial year 2021 at a remuneration of 100,000/- (Rupees One Lakh) plus reimbursement of all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditor is required to be ratified subsequently by the Members, in accordance with the provisions of the Act and Rule 14 of the Rules.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 2 of the Notice.

Accordingly, the Board recommends the Ordinary Resolution at item no. 2 of this Notice for the approval of the Members.

In respect of Item No: 3

Mr. Ahmed Buhari (DIN 00211221) was appointed as Chairman & Managing Director of the Company in the Board Meeting held on May 12, 2020. The Nomination & Remuneration Committee in its meeting held on 9th March, 2020 approved the appointment and payment of remuneration of an annual package of Rs 30 cr (Rs18 cr assured pay and Rs.12 Cr performance - based payment) effective from May 12, 2020, for a period of 5 years upon the terms and conditions set out in the Agreement dated May 12, 2020.

Except Mr. Ahmed Buhari, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 3 of the Notice.

Accordingly, the Board recommends the Ordinary Resolution at item no. 3 of this Notice for the approval of the Members.

By Order of the Interim Resolution Professional
For Coastal Energen Pvt Ltd



Rathna Prabha
Company Secretary
FCS: 8105

Date: 08.09.2022
Place: Chennai

NOTES:

1. In view of the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circulars permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Act read with the MCA Circulars, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business as set out in the Notice is annexed hereto.
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held pursuant to the applicable MCA, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate/Institutional Members (i.e. other than Individuals, NRIs, etc.) are required to send a scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Company Secretary by email through her registered email address to Rathnaprabha.s@coastalenergen.com.
6. The Member's log-in to the Video Conferencing platform shall be considered for record of attendance at the AGM and such Member attending the Meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. KFin Technologies Private Limited ("KFintech") (formerly known as "Karvy Fintech Private Limited") having their office at Selenium Building, Tower B, Plot Nos. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

By Order of the Interim Resolution Professional
For Coastal Energen Pvt Ltd



Rathna Prabha
Company Secretary
FCS: 8105

Date: 08.09.2022

Place: Chennai

BOARD'S REPORT

To,
The Members
Coastal Energen Private Limited

The Hon'ble National Company Law Tribunal, Chennai Bench, ("NCLT"), had vide its order dated February 4, 2022 admitted the application for the initiation of the Corporate Insolvency Resolution Process ("CIRP") of Coastal Energen Private Limited ("Company") in terms of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time. Further, the Hon'ble NCLT vide its Order dated February 4, 2022 has appointed Mr. Radhakrishnan Dharmarajan, having IP registration No. IBBI/IPA-001/IP-P00508/2017-2018/10909, as the Interim Resolution Professional ("IRP") for the CIRP of the Company. The Committee of Creditors (CoC) was constituted on 27.02.2022 and the First Meeting of the CoC was held on 04.03.2022.

Precious Energy Holdings Ltd, BVI filed an appeal before Hon'ble NCLAT challenging the order dated February 4, 2022 passed by the Hon'ble NCLT and Hon'ble NCLAT by an Interim Order dated 11th March, 2022 passed Order of Stay of further proceedings of the 'CoC' till next hearing which is posted on September 14, 2022. However IRP under the IBC has been vested with the responsibility to run the Corporate Debtor as a going concern till the stay is revoked. Further all the powers of the Board of Directors of the Company stand suspended and the same along with the management of affairs of the Company have been vested with the IRP.

The Interim Resolution Professional (in lieu of the Suspended Board of Directors) of the Company hereby presents the Sixteenth (16th) Annual Report of the Company together with the Audited Financial Statements of the Company for the financial year ended March 31, 2022. *The IRP has taken into record the standalone financials based on the representations, clarifications and explanations provided by the erstwhile management, Finance Head i.e. CFO and Key Management Personnel of the Company for the preparation and presentation of the standalone financial statements and that the IRP is not in a position to certify the truthfulness, fairness, accuracy or completeness of financial statement prepared for the said period.*

1. FINANCIAL SUMMARY AND HIGHLIGHTS

1.1 During the financial year, the performance of the company was as under :

(Amount in Rs.Cr)

| Details | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|------------------------------|------------------------------|
| Revenue from operations | 913.89 | 1897.29 |
| Other Income | 40.72 | 41.65 |
| Profit/(Loss) before Depreciation, finance Cost, Exceptional items and tax Expense | 122.76 | 896.08 |
| Less: Depreciation / Amortization / Impairment | 199.75 | 200.30 |
| Profit/(Loss) before finance Cost, Exceptional items and tax Expense | (76.99) | 695.78 |

| | | |
|---|-----------|-----------|
| Less: Finance Costs | 2.22 | 4.30 |
| Profit /Loss before Exceptional items and Tax Expense | (79.20) | 691.48 |
| Add/(Less): Exceptional items | - | - |
| Profit /Loss before Tax Expense | (79.20) | 691.48 |
| Less: Tax Expense (Current & Deferred) | (19.54) | 169.32 |
| Profit /Loss for the year (1) | (59.66) | 522.16 |
| Total Comprehensive Income/Loss (2) | (0.29) | 0.65 |
| Total (1+2) | (59.95) | 522.81 |
| Balance of profit /loss for earlier years | (1678.78) | (2201.59) |
| Less: Transfer to Debenture Redemption Reserve | - | - |
| Less: Transfer to Reserves | - | - |
| Less: Dividend paid on Shares | - | - |
| Balance carried forward | (1738.73) | (1678.78) |

1.2 DETAILS OF REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

No revision of financial statements or the Board's Report occurred during the year.

1.3 TRANSFER TO RESERVES

During the financial year under review, no amount has been transferred to Reserves & Surplus.

1.4 DIVIDEND

In view of losses incurred by the Company during the financial year, the IRP (in lieu of Suspended Board of Directors) has not recommended any dividend for the financial year 2021-22.

1.5 TRANSFER TO UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid during previous years.

1.6 MAJOR EVENTS DURING THE YEAR

- a) Business Outlook: The company's revenue from operations for the period has come down by more than 50% on account of non-availability of coal and lesser offtake by Tangedco. The cumulative plant availability achieved was 52% as against 85% in

the previous year. Main reason for decline in declaration is on account of non-availability of coal due to increase in prices of imported coal during second half of FY 21-22. Further payments were also not regular from Tangedco resulting in non-availability of cash flow for coal procurement. The EBITDA earned for the current year is Rs.122.76 cr as against Rs.896.08 cr in the previous year (including change in law claim). The coal consumption for the period is 8.03 Lacs MT as against 14.62 Lacs MT in previous year. The specific coal consumption is 0.66 kg/kwh compared to 0.64 kg/kwh.

The exchange sale realization during the year is Rs.8.95/Kwh, better compared to PPA tariff of Rs.5.50/Kwh average for FY 21-22.

The company has not provided any finance cost as the accounts are classified as NPA by banks. The net loss for the year after providing for depreciation is (Rs.79.20) Cr as against Rs.691.48 Cr net profit in the previous year.

- b) State of the company's affairs: The company has been admitted into Corporate Insolvency Resolution Process ("CIRP") in terms of the Insolvency and Bankruptcy Code, 2016 ("Code") by Hon'ble NCLT vide its Order dated February 4, 2022 and appointed Mr. Radhakrishnan Dharmarajan, having IP registration No. IBBI/IPA-001/IP-P00508/2017-2018/10909, as the Interim Resolution Professional ("IRP") of the Company to carry out CIRP. A Shareholder had approached the Hon'ble NCLAT against the order of the Hon'ble NCLT, since Company has made substantial payments to banks towards settlement and seeks time to settle the OTS transaction agreed with the consortium of banks.

During the year the company's operations were affected by substantial increase in imported coal prices affecting the scheduling of power supply to Tangedco. The non-availability of working capital and delay in collections from Tangedco has impacted the procurement and affecting the declaration of power. The collections during the period was Rs.1121 cr of which Rs.540 cr was settled to banks, Rs.517 cr for coal procurement and balance towards operations. The Promoters are pursuing with consortium of banks to settle the OTS agreed earlier, but however various factors affecting the industry has hampered the settlement. Company is still pursuing for the settlement and has been in discussion with various financial institutions for funding.

- c) Change in the nature of business: There is no change in the nature of business during the year under review.
- d) Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the Financial Statements relates and the date of the Report:

Hon'ble NCLT by order Dated 4th February, 2022 has admitted the Company to CIRP under the IBC and appointed Mr. Radhakrishnan Dharmarajan as the IRP. Promoter Shareholder, Precious Energy Holdings Ltd, BVI has preferred an appeal before Hon'ble NCLAT challenging the CIRP Admission order and Hon'ble

NCLAT granted Stay of further proceedings of the 'CoC' till next hearing which is posted on September 14, 2022.

Pursuant to the admission of the company into CIRP the Independent Directors of the company submitted their resignation and the SBI nominee Director also submitted his resignation. As such the company is now left with only two Directors and the powers of the Board has been suspended due to the orders of the NCLT.

Apart from the above, no material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year 2021-22 to which this financial statements relate and the date of this Report.

2. GENERAL INFORMATION:

2.1 BRIEF HISTORY OF THE COMPANY, OVERVIEW OF THE INDUSTRY AND IMPORTANT CHANGES IN THE INDUSTRY DURING THE LAST FINANCIAL YEAR:

The Company carries out business of power generation and there were no important changes in the Industry during the last financial year.

CAPITAL STRUCTURE:

The Authorized capital as on 31st March 2022 was Rs. 225,00,00,000/-
The Paid Up capital as on 31st March 2022 was Rs.210,90,42,350/-

INCREASE IN AUTHORIZED CAPITAL:

During the financial year under review, there is no change in the Authorized Share Capital of the Company.

REDEMPTION OF PREFERENCE SHARES:

The Company does not have preference shares and hence redemption of preference shares is not applicable.

2.2 DETAILS OF EQUITY AND PREFERENCE SHARES ISSUED DURING THE FINANCIAL YEAR:

During the financial year, the company has not issued any equity or any preference shares.

2.3 ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the financial year, the company has not issued any equity shares with differential rights.

2.4 ISSUE OF SWEAT EQUITY SHARES

During the financial year, the company has not issued any sweat equity shares.

2.5 ISSUE OF EMPLOYEE STOCK OPTIONS

During the financial year, the company has not issued any Shares under employee stock options.

2.6 ISSUE OF SHARES TO TRUSTEES FOR BENEFIT OF EMPLOYEES

During the financial year, the company has not issued any Shares to Trustees for the benefit of employees.

2.7 ISSUANCE OF ANY OTHER SECURITIES WHICH CARRIES A RIGHT OR OPTION TO CONVERT INTO EQUITY SHARES

During the financial year, the company has not issued any securities which carry a right or option to convert such securities into equity shares.

2.8 CREDIT RATING

No Credit Rating was done during the year.

3. MANAGEMENT

3.1. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes took place in the company:

Appointment of Interim Resolution Professional:

Further to the admission to CIRP of the Company, Mr. Radhakrishnan Dharmarajan, has been appointed as Interim Resolution Professional ("IRP").

Resignation of Directors:

During the year under review, Mr. Moosa Raza (DIN: 00145345) had resigned from the Directorship of the Company w.e.f October 31, 2021. Mr. Amulya Charan (DIN: 00007370) and Mr. R. Krishnamoorthy (DIN: 05292993) had also resigned from the Directorship of the Company w.e.f March 5, 2022. Mr.Rajeev Krishnan (DIN:02956353) April 29, 2022.

Appointment of Chief Financial Officer:

Mr. N.K.Balaji was appointed as the Chief Financial Officer / Senior Vice President – Finance & Accounts effective from April 2nd, 2021.

Key Managerial Personnel (KMP) Pursuant to the provisions of Section 203 of the Companies Act, 2013, the details of Key Managerial Personnel (KMP) of the Company as on April 30, 2022 is stated herewith:

| Sl.No | Name of the KMP | Designation |
|-------|-----------------|-------------|
|-------|-----------------|-------------|

| | | |
|---|-----------------|-------------------------------|
| 1 | AHMED BUHARI | Suspended Managing Director |
| 2 | MK.PARAMESWARAN | Suspended Whole time director |
| 3 | RATHNAPRABHA | Company Secretary |
| 4 | N.K.BALAJI | Chief Financial Officer |

There were no other changes in the board during the year ended 31st March 2022.

3.2. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Not Applicable to the company.

3.3. NUMBER OF BOARD MEETINGS / COMMITTEE MEETINGS

The Directors of the Company met 3 times during the financial year 2021 – 2022.

| S.No | Date of Meeting | No of Director entitled to attend the meeting | No of Director present at the meeting |
|------|-----------------|---|---------------------------------------|
| 1. | 27.05.2021 | 6 | 6 |
| 2. | 02.09.2021 | 6 | 5 |
| 3. | 16.12.2021 | 5 | 5 |

During the year under review the committees met as below;

- Audit Committee – May 26, 2021; September 1, 2021 and December 16, 2021;
- NRC – May 26, 2021 and September 1, 2021

During the year under review the following members attended the respective meetings

| Name of Director | Audit Committee | | NRC | |
|---------------------|---------------------|--|---------------------|--|
| | Memb er (Y/N) | Attendance (No. of meeting /Total meeting) | Memb er (Y/N) | Attendance (No. of meeting /Total meeting) |
| Mr. Ahmed Buhari | N | NA | N | NA |
| Mr. Moosa Raza | N | NA | N | NA |
| Mr. Amulya Charan | Y | 3/3 | Y | 2/2 |
| Mr. Krishnamoorthy | Y | 3/3 | Y | 2/2 |
| Mr. Rajeev Krishnan | N | NA | N | NA |

3.4. DIRECTORS' RESPONSIBILITY STATEMENT

The Interim Resolution Professional confirm to the provisions of Section 134(3)(c) of the Companies Act, 2013. In the preparation of Annual Accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to the material departures;

- a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) 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 and loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

3.5. INTERNAL FINANCIAL CONTROLS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business and size and complexity of its operations.

The auditors have opined that Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022

3.6. DISCLOSURE REGARDING FRAUDS

There are no frauds reported during the Financial year ended 31st March 2022.

4. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company has no subsidiary or Joint venture or Associate as on 31st March 2022.

5. DETAILS OF DEPOSITS

The Company did not accept any deposits during the year.

6. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the period under review, the company has not made any investment, given guarantee and/or securities. Therefore, provisions of Section 186 of Companies Act, 2013 are not applicable.

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The related party transactions that are entered during the financial year were in the ordinary course of business and on arm's length basis. The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the financial year 2021-2022 in prescribed format, AOC 2 has been attached in ANNEXURE I.

Further, detailed disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note No. 33 (d) to the Balance Sheet as at March 31, 2022.

8. DISCLOSURES PERTAINING TO CORPORATE SOCIAL RESPONSIBILITY

A brief outline of the Corporate Social Responsibility (CSR) Policy as recommended by the CSR Committee and approved by the Board of Directors of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year under review, the Company is not obliged to spend any amount towards the CSR activities due to non-availability of profit as calculated under section 135 of the Companies Act 2013. Below is the calculation for the net profit:

| Year | Net Profit before tax (Thousand rounded off to zero) | (Profit) / Loss on sale of Fixed Assets | Net Profit before (Profit) / Loss on sale of Fixed Assets |
|---------|---|--|---|
| 2018-19 | (9,88,57,43,782) | - | (9,88,57,43,782) |
| 2019-20 | (2,86,89,29,535) | - | (2,86,89,29,535) |
| 2020-21 | 5,22,16,50,841 | - | 5,22,16,50,841 |
| Total | (7,53,30,22,476) | - | (7,53,30,22,476) |

Average Net Profit - (2,51,10,07,492)

CSR Expenses to be incurred (2%) - Nil [As there is no profit]

9. DETAILS OF REMUNERATION OF EMPLOYEES

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Statement containing such particulars of employees as required in terms of provision of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report. Pursuant to the provision of the Section 136 (1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all the members of the Company, excluding the aforesaid information and the same is open for inspection at the registered

office of the Company during working hours upto the date of the Annual General Meeting and if any members is interested in obtaining such information, may write to the Company Secretary at the Registered Office of the Company in this regard.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3) (m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, requires the disclosure of particulars regarding conservation of Energy and Technology Absorption.

A. CONSERVATION OF ENERGY:

| | |
|---------------------------------|---|
| Fly Ash Utilization | Fly Ash utilization achieved 100 %. Fly Ash is being Utilized by adjoining cement industries and Brick Manufacturer |
| Zero Water Discharge from Plant | We have achieved zero water discharge from the plant. All waste/rejects are treated in in-house STP/ETP and the treated water is utilized for gardening/greenery development etc. |
| Fuel Switching | Reduction in LDO Consumption by Cutting of LDO at a stable load of 180 MW, for each startup of unit 10 MT of LDO is saved. |
| Condenser Tube Cleaning | Condenser Effectiveness increased by 10% Heat rate improved by 12Kcal/Kwh and coal saved 2 TPH Unit 2 running hours- 1386 Hrs Coal saved – 2772 MT |

B. TECHNOLOGY ABSORPTION:

The Company continues to use the latest Technology for improving the quality and productivity of its product and services.

| | |
|---|---|
| (i) The efforts made towards technology absorption; | <ol style="list-style-type: none"> 1. Exploring FGD Technologies for Cost Effective Solution. 2. Exploring ERP for our plant for improving the Business Process, Enhance Reporting and Optimize Resources. Oracle and SAP are narrowed down and Evaluation in Progress. |
|---|---|

| | |
|---|--|
| <p>(ii) The benefits derived like product improvement, Cost reduction or import substitution:</p> | <p>Cost Reduction by Refurbishment and Alternate Vendor Sourcing.</p> <ol style="list-style-type: none"> 1. Coal burners were refurbished locally and installed. Cost incurred for procuring of coal burner tip from local vendors 7 no's is 0.13 Cr Procuring cost of coal burner tip from OEM for 7 no's is 0.42 Cr. Cost Saving – 0.29 Crs 2. HVAC chiller condensers were reconditioned through local vendors for one condenser is Rs.0.17 Cr Procuring cost of new HVAC chiller condenser from OEM Rs. 0.65 Cr. Cost Saving – 0.48 Crs 3. Boiler Circulation Pump Motor Make V Flow China Rewinding done in KSB India Facility at 0.40 Crs whereas M/s Toroshima (Japanese Vendor – V Flow Authorized Vendor) was quoting Rs 1 Cr for Rewinding. Cost Saving – 0.6 Crs 4. Cooling Tower hot dipped Galvanized base frame for Gear Box 48 Numbers done through alternate vendor at 25.5 Lakhs and achieved cost saving of Approx. Cost Saving – 0.065 Crs. 5. ID FANs were refurbished locally and installed. Procurement cost of New Fans from OEM for 2 Nos is 1.42 Crs Cost Incurred for refurbishing of ID Fans from local vendor for 2 Nos is 0.69 Crs Cost Saving is Rs 0.73 Crs. 6. Sourcing of BTG Spares like Turbine Bearing pins through alternate/ Local Source. Cost saving 0.21 Crs 7. Alternate Source for Cooling Tower water Treatment Chemical was identified and annual requirement was optimized to Rs. 0.26 Crs. Cost Savings is Rs. 0.07 Crs. <p>Total Cost Saving - 2.445 Crs</p> |
|---|--|

| | |
|---|---|
| | 8. Aux Power Consumption Reduction. Cost Saving by Replacing Energy Efficient LED Fittings, as on date 20 % replaced and Energy Saving of 1250 Units/day achieved, leading to a monthly saving of 1.7 lakhs/month |
| (iii) In the case of imported technology (imported during the last three reckoned from the beginning of the financial year) | Not Applicable |
| (a) The details of technology imported | - |
| (b) The year of import | - |
| (c) whether the technology been fully absorbed; | - |
| (d) if not fully absorbed , area where absorption has not taken place, and the reasons thereof; and | - |
| (iv) The expenditure incurred on Research and Development | - |

FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs. In Crores)

Foreign Exchange Earnings : 0.00

Foreign Exchange Outgo : 1.05

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

The Company has been admitted to CIRP by order Dated 4th February, 2022 and appointed Mr. Radhakrishnan Dharmarajan as an IRP. Further details of all significant and materials ongoing issues before Judicial Bodies, Regulators, Court, Tribunals, Statutory and Quasi-Judicial Body was captured in Note 33 of the Notes to Account for the Audited Financial Year as ended on March 31, 2022.

Except for the above, no other material orders were passed by Regulators/ Courts / Tribunals during the period impacting the going concern status and Company's operations in future.

12. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy/Vigil Mechanism as per the provisions of Section 177 of the Act. The Policy provides a mechanism for reporting of unethical behavior and frauds made to the management. The mechanism provides for adequate safeguards against victimization of employees who avails the mechanism and provides for direct access to the Chairman of the Audit Committee, under exceptional cases. Vigil Mechanism / Whistle Blower Policy is also uploaded on the website of the Company and the web-link is <http://coastalenergen.com/Whistle-Blower-Vigil-Mechanism-Policy.pdf>. The Company is currently under CIRP thus this review is not applicable to the Company.

13. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s S Santhangopalan & Co, Chartered Accountants, Chennai (Registration No. 003604S) were appointed as the Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of 12th Annual General Meeting (AGM) held on December 31, 2018 till the conclusion of 17th Annual General Meeting of the Company to be held in FY 23-24. Till then the present Auditors continue to be the auditors of the Company.

14. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board on 27th May, 2021 has approved the appointment of M/s. BP & Associates, Company Secretaries, Chennai as the Secretarial Auditors of the Company to conduct audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year 2021-22 is appended to the Report and the Addendum providing explanation to their observation are in “**Annexure III**”.

15. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS

The Auditors' Report on the Balance Sheet and Profit and Loss Account for the Year ending 31st March 2022 is self-explanatory. The Statutory Auditors have issued qualified opinion in their Report on the audit of the Financial Statements for the FY ended 31st March 2022. The qualified opinion and the management's response is given below:

Audit observation – Qualified Opinion No.1:

As mentioned in Note No. 35(a) to the financial statements, regarding initiation of Corporate Insolvency and Resolution Process and its impact on the going concern Assumption

Management's Response:

The Loan accounts of the company was declared as Non Performing w.e.f. 1.4.2017. The

main reason for the accounts turning bad are on account of high project cost which was a result of withdrawal of Mega Power benefits for the power plant. The original assessment of the Project cost was done with the assumption that Mega Power benefits shall be available to the project based on the conditions then prevailing. The stress on the company's financials started soon after that and the same got aggravated with non-availability of a long term Power Purchase Agreement for the Unit 2.

In spite of best efforts by the Company, due to lack of adequate revenue and underutilization of the plant capacity, the term lenders were not being serviced regularly. The delay in collections from the Unit 1 Customer also added to the problem. Non availability of the assessed Working capital to the project is one more reason for the stress in the financials of the company.

State Bank of India – the leader of the consortium had filed an application with Hon'ble National Company Law Tribunal, Chennai Bench on 03-10-2018 u/s 7 of the IBC. The company/promoters had submitted a One Time Settlement proposal to the consortium vide its letter dated 01-10-2019 for settlement of dues at Rs 3,100/- Cr plus 15% Equity. The company had arranged for backup from Deutsche Bank and Edelweiss. However since the new investors were insisting for 100% approval for the OTS, the transaction could not be completed. Hon'ble NCLT Chennai Bench while hearing the Sec 7 petition filed by SBI passed orders stating that since the company has given OTS proposal it permitted SBI to withdraw the petition with a liberty to re-instate the same if the settlement failed. Though company had paid Rs 1765 Crs till date towards the OTS, the State Bank of India insisted for admitting the petition filed by them u/s Sec 7 of the IBC and Hon'ble NCLT Chennai bench vide its order dated 4th February 2022 admitted the company in the CIRP and appointed an Interim Resolution Professional to manage the affairs of the company. One of the Shareholders of the company had approached the Hon'ble National Company Law Appellate Tribunal, Chennai and obtained a stay on the orders passed by Hon'ble NCLT Chennai and also obtained stay for any further proceedings of the Committee of Creditors.

Audit observation – Qualified Opinion No.2:

As mentioned in Note No.35(j) to the financial statements, regarding non provision of interest on term loan and cash credit accounts for banks, set off of repayments to principal amounts, its consequent reclassification, regrouping and their impact on the financial statements.

Management's Response:

The Company has not provided Interest as the banks/Financial Institutions have declared the loan accounts of the company as Non Performing. Additionally, considering the fact that the company has been admitted into CIRP vide NCLT order dated 04-02-2022, no interest has been provided during the current period.

With respect to regrouping of payments made during the previous years, as the company's Term loan and cash credit accounts have been classified by the banks as non-Performing (NPA) from March 2017, certain payments made post classification as NPA has been grouped towards principal debt and accordingly the same has been re-classified in the books of accounts.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standards as issued by the Institute of Company Secretaries of India.

17. ANNUAL RETURN

As per the MCA Notification dated 28th August, 2020 making an amendment to Rule 12(1) of Companies (Management and Administration) Rules, 2014, the Disclosure of Annual Return is not required to be attached in this Board's Report in accordance with sub-section (3) of section 92 of the Companies Act, 2013. However, the Annual Return has been placed on the website of the Company <http://coastalenergen.com/annual-return.html>

18. COST AUDITOR AND COST AUDIT REPORT:

The Company falls under the criteria specified under Section 148 of Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 in respect of Maintenance of Cost records as specified by Central Government. Accordingly the company is maintaining such accounts and records. The Cost Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

19. INTERNAL AUDIT

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Company is required to appoint an internal auditor. M/s PKF Sridhar and Santhanam LLP, Chartered Accountants were appointed by the Board on 27th May 2021, as the as the Internal Auditor of the Company for the financial year 2021-22.

20. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your company believes in providing a safe and harassment free workplace for every individual and endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a policy for prevention of Sexual Harassment at the workplace in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, your company has not received any complaints pertaining to sexual harassment.

21. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

The Company has been admitted under Section 7 of the Insolvency and Bankruptcy Code 2016 (Code) by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench by order Dated 4th February, 2022 and Hon'ble NCLT has appointed Mr. Radhakrishnan Dharmarajan as an Interim Resolution Professional ('IRP') for carrying out the Corporate Insolvency Resolution Process (CIRP) of the Company and appointed Mr. Radhakrishnan Dharmarajan, having IP registration No. IBBI/IPA-001/IP-P00508/2017-2018/10909, as the Interim Resolution Professional ("IRP") for the CIRP of the Company.

22. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The Promoters of Company during the financial year pursued the banks for One Time Settlement but the same could not be concluded. In the meantime, the petition filed by SBI under Section 7 of IBC was admitted by Hon'ble NCLT, Chennai Bench thereby initiating the CIRP of Company vide its order dated 4th February 2022.

23. ACKNOWLEDGEMENT:

The IRP placed on record his deep appreciation towards all business associates, employees and bankers for their continued support and confidence despite very challenging conditions. *The IRP has taken into record the standalone financials based on the representations, clarifications and explanations provided by the erstwhile management, Finance Head i.e. CFO and Key Management Personnel of the Company for the preparation and presentation of the standalone financial statements and that the IRP is not in a position to certify the truthfulness, fairness, accuracy or completeness of financial statement prepared for the said period.*

FOR COASTAL ENERGEN PRIVATE LIMITED



RADHAKRISHNAN DHARMARAJAN
INTERIM RESOLUTION PROFESSIONAL

Place: Chennai

Date: 08.09.2022

ANNEXURE I
Annexure to Directors Report
AOC – 2

(Pursant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) of the
Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies act, 2013 including certain arms length transaction under third proviso thereto.


1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil

| S No | Particulars | Details |
|------|--|---------|
| 1 | Name (s) of the related party & nature of relationship | Nil |
| 2 | Nature of contracts/arrangements/transaction | |
| 3 | Duration of the contracts/arrangements /transaction. | |
| 4 | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| 5 | Justifi cation for entering into such contracts or arrangements or transactions | |
| 6 | Date of approval by the Board. | |
| 7 | Amount paid as advances, if any | |
| 8 | Date on which the special resolution was passed in General meeting as required under first proviso to section 188. | |

2. Details of contracts or arrangements or transactions at Arm's length basis:

| Sl. No. | Name(s) of the related party | Nature of contract | Tenure of Contract or Arrangements or transactions and the value (Rs. in crores) | Date(s) of approval by the Board/ General Meeting, if any | Amount paid as advances, if any: |
|---------|--|---------------------------------------|--|---|----------------------------------|
| 1 | Buhari Facility Management Private Limited | Rent & Amenities -Amenities Agreement | 5 Years 0.45 Crores | 2 nd September, 2021 | Nil |
| 2 | Buhari Estate & Company | Rent & Amenities – Lease Agreement | 5 Years 0.51 Crores | 2 nd September, 2021 | Nil |
| 3 | Buhari Holdings Private Limited | Advance Received | - 1.05 Crores | - | Nil |

For Coastal Energen Private Limited


Radhakrishnan Dharmarajan
Interim Resolution Professional

Date: 08.09.2022
Place: Chennai

ANNEXURE-II
ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

As per the Companies Act, 2013, Coastal Energen Limited has a policy on Corporate Social Responsibility (hereinafter referred as CSR) which requires the company to spend atleast 2% of average net profits of the immediately preceding 3 financial years on "CSR" activities. CSR involves incurring costs that do not provide an immediate financial benefit to the Company, but instead promotes positive social and environmental change. In line with the above, your Company CSR policy is designed keeping in mind the vision, mission, socio economic environment and capacities of the company.

2. Composition of CSR Committee:

| Sl. No. | Name of Members | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|--------------------------|--|---|---|
| 1 | Mr. Ahmed A R Buhari | Chairman | Nil | Nil |
| 2 | Mr. MK. Parameswaran | Member | Nil | Nil |
| 3 | Mr. Syed Ismail Buhari * | Member | Nil | Nil |

*Mr.Syed Ismail Buhari has left the company in the month of Aug 2022.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<http://coastalenergen.com/Coastal-Energen-Pvt-Ltd-CSR-policy.pdf>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- Not Applicable for the Financial Year 2021-22

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- NIL

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (Amount in Lakhs) | Amount required to be set-off for the financial year, if any (Amount in Lakhs) |
|---------|----------------|--|--|
| 1 | NIL | NIL | NIL |

6. Average net profit of the company as per section 135(5).

| Year | Net Profit before tax (Thousand rounded off to zero) | (Profit) / Loss on sale of Fixed Assets | Net Profit before (Profit) / Loss on sale of Fixed Assets |
|---------|---|---|---|
| 2018-19 | (9,88,57,43,782) | - | (9,88,57,43,782) |
| 2019-20 | (2,86,89,29,535) | - | (2,86,89,29,535) |
| 2020-21 | 5,22,16,50,841 | - | 5,22,16,50,841 |
| Total | (7,53,30,22,476) | - | (7,53,30,22,476) |

Average Net Profit - (2,51,10,07,492)

CSR Expenses to be incurred (2%) – (50220150) Nil [As there is no profit]

7.

| | | |
|-----|--|------------|
| (a) | Two percent of average net profit of the company as per section 135(5) | (50220150) |
| (b) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | NIL |
| (c) | Amount required to be set off for the financial year, if any | NIL |
| (d) | Total CSR obligation for the financial year (7a+7b-7c). | (50220150) |

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 36,07,979.00 | NIL | | NIL | | |

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|----------------|---------------------|---|---------------------|-------------------------|----------|------------------|---|---|---|--|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR registration number |
| Not Applicable | | | | | | | | | | | | |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---------|--|---|---------------------|-------------------------|-----------|--|---|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent For the project (Rs. In lacs) | Mode of implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | Name | CSR registration number |
| 1 | Thulir School for Special Children's Education | Education | YES | TamilNadu | Tuticorin | 25,000.00 | YES | - | - |
| 2 | Noorul Emam Education Trust | Education | YES | TamilNadu | Tuticorin | 25,000.00 | YES | - | - |

| | | | | | | | | | |
|---|---|----------------|-----|-----------|-----------|-------------|-----|---|---|
| 3 | Social Empowerment for Needy people - Supply of essential ingrediants in Tutcorin for 1100 families | Social welfare | YES | TamilNadu | Tuticorin | 4,85,000.00 | YES | - | - |
| 4 | Muslim Orphanage fund for Education of 6 school children (Annual Fees) | Education | YES | TamilNadu | Tuticorin | 36,000.00 | YES | - | - |
| 5 | Mid-day Meals for Pattinamarudur for 200 people | Education | YES | TamilNadu | Tuticorin | 30,000.00 | YES | - | - |
| 6 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 7 | 200 Sets of O2 Flowmeter procured and gave to Government Hospital, Tuticorin | Social welfare | YES | TamilNadu | Tuticorin | 3,92,000.00 | YES | - | - |
| 8 | Copper Tube for supply of Oxygen procured and gave to Government | Social welfare | YES | TamilNadu | Tuticorin | 7,40,122.00 | YES | - | - |

| | | | | | | | | | |
|----|--|-------------------|-----|-----------|-----------|-----------|-----|---|---|
| | Hospital, Tuticorin | | | | | | | | |
| 9 | Deadbody Cover procured and gave to Government Hospital, Tuticorin | Social welfare | YES | TamilNadu | Tuticorin | 21,300.00 | YES | - | - |
| 10 | Deadbody Cover procured and gave to Government Hospital, Tuticorin | Social welfare | YES | TamilNadu | Tuticorin | 42,500.00 | YES | - | - |
| 11 | Contribution to Welfare for Pattinamaruthu r Masjid food distribution to under- privileged | Social welfare | YES | TamilNadu | Tuticorin | 30,000.00 | YES | - | - |
| 12 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 13 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 14 | Honorarium paid to Pattinmaruthur Imam for 3 months | Social welfare | YES | TamilNadu | Tuticorin | 9,900.00 | YES | - | - |

| | | | | | | | | | |
|----|---|----------------|-----|-----------|-----------|-----------|-----|---|---|
| 15 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 56,496.00 | YES | - | - |
| 16 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 51,788.00 | YES | - | - |
| 17 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 47,080.00 | YES | - | - |
| 18 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 51,788.00 | YES | - | - |
| 19 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 80,036.00 | YES | - | - |
| 20 | Honorarium paid to Pattinmaruthur Imam for 3 months | Social welfare | YES | TamilNadu | Tuticorin | 6,600.00 | YES | - | - |

| | | | | | | | | | |
|----|--|----------------|-----|-----------|-----------|-------------|-----|---|---|
| 21 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 22 | Paid to panchayath union public school towards painting work for student's bench and desk at A.M patti | Education | YES | TamilNadu | Tuticorin | 4,400.00 | YES | - | - |
| 23 | O2 Concentrator procured and gave to Government Hospital, Tuticorin | Health | YES | TamilNadu | Tuticorin | 1,84,800.00 | YES | - | - |
| 24 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 89,446.00 | YES | - | - |
| 25 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 26 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 98,861.00 | YES | - | - |

| | | | | | | | | | |
|----|--|----------------|-----|-----------|-----------|-----------|-----|---|---|
| 27 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 98,861.00 | YES | - | - |
| 28 | Petrol expenses incurred during mela arasadi panchayat road pipe line work | Social welfare | YES | TamilNadu | Tuticorin | 2,000.00 | YES | - | - |
| 29 | RO Plant AMC charges at A.M.Patti under CSR Activity | Social welfare | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 30 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 89,446.00 | YES | - | - |
| 31 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 98,862.00 | YES | - | - |
| 32 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 33 | RO Plant AMC charges at A.M.Patti under CSR | Health | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |

| | Activity | | | | | | | | |
|----|---|--|-----|-----------|-----------|-------------|-----|---|---|
| 34 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 35 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 75,019.00 | YES | - | - |
| 36 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| 37 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 83,057.00 | YES | - | - |
| 38 | Construction of Public Distribution Shop at Mela Maruthur Village under Self Sufficiency Scheme | Village level Infrastructure Development | YES | TamilNadu | Tuticorin | 2,37,023.00 | YES | - | - |
| 39 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 3,725.00 | YES | - | - |

| | | | | | | | | | |
|--------------|---|--------|-----|-----------|-----------|---------------------|-----|---|---|
| 40 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 22,353.00 | YES | - | - |
| 41 | Medical Camps conducted in and around villages through mobile health unit | Health | YES | TamilNadu | Tuticorin | 1,02,658.00 | YES | - | - |
| 42 | RO Plant AMC charges at A.M.Patti under CSR Activity | Health | YES | TamilNadu | Tuticorin | 26,078.00 | YES | - | - |
| TOTAL | | | | | | 36,07,979.00 | | | |

| | | |
|-----|---|------------------|
| (d) | Amount spent in Administrative Overheads | NOT APPLICABLE |
| (e) | Amount spent on Impact Assessment, if applicable | NOT APPLICABLE |
| (f) | Total amount spent for the Financial Year (8b+8c+8d+8e) | Rs. 36,07,979.00 |

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (Rs) |
|---------|---|--------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | NIL |
| (ii) | Total amount spent for the Financial Year | 36,07,979.00 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 36,07,979.00 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

9. Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|--------------------------|--|---|---|------------------|------------------|--|
| | | | | Name of the Fund | Amount (in Rs.). | Date of Transfer | |
| NIL | | | | | | | |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|------------|---------------------|---|------------------|---|---|---|--|
| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in The reporting Financial Year (in Rs) | Cumulative amount spent at the end of reporting Financial Year (in Rs.) | Status of the project - Completed /Ongoing |
| NIL | | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

| | |
|--|----------------|
| (a) Date of creation or acquisition of the capital asset(s) | NONE |
| (b) Amount of CSR spent for creation or acquisition of capital asset | NIL |
| (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. | NOT APPLICABLE |
| (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) | NOT APPLICABLE |

11. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per section 135(5).

-NOT APPLICABLE

For Coastal Energen Private Limited



Radhakrishnan Dharmarajan
Interim Resolution Professional

Date: 08.09.2022

Place: Chennai

**BP & ASSOCIATES**

Company Secretaries

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Coastal Energen Private Limited
No.5, Moores Road, Chennai – 600006.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coastal Energen Private Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on the petitions filed by financial creditors, the Hon'ble NCLT, Chennai Bench, passed the order dated 04th February, 2022 for initiation of CIRP under section 7 of the Insolvency and Bankruptcy Code, 2016 (As amended and hereinafter referred to as "the Code") appointing Mr. Radhakrishnan Dharmarajan as Interim Resolution Professional, under the provisions of the Code. Based on our verification of the Coastal Energen Private Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to us.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Coastal Energen Private Limited for the financial year ended on 31st March, 2022 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- iv. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- v. The Electricity Act, 2003.
- vi. The Boiler Act, 1923.
- vii. The Environment (Protection) Act, 1986.
- viii. Other laws applicable to the Company as per the representations made by the Management.

With respect to Fiscal laws such as Income Tax and Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various Acts and based on the information and explanation provided to us by the management and officers of the Company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

Office Address: New No 443 & 445, 5th Floor, Annexe 1, Guna Complex,
Anna Salai, Teynampet, Chennai-18.
Ph: 044-24334503. **Email:** secretarial@bpcorp advisors.com





We have also examined compliance with the applicable clauses of the following:

- i. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the Observations :
 - a) *The Company has not complied the section 117(3) in terms of filing of MGT-14.*
 - b) *We observe that, the Transfer of Equity Shares form Fossil Logistics Private Limited (Folio No.28) to Transferree namely, Mrs. Qurrath Jameela (Folio No.29) – Number of Shares 48,72,826 and Mrs. Mariam Habeeb - (Folio No.30) Number of share 48,72,826 was approved by the Board in the 02nd February, 2021 and subsequently reversed and Cancelled is not tenable as per Companies act, 2013 and rules thereunder. Further, Company also captured the said share transfer in its Annual Return MGT-7 filed for the Financial Year 2020-21 and gaps identified in Register of members and Register of transfer relating to this point .*
 - c) *The Board of Director's Report for the financial year ending 31st March 2021 is not in compliance under Section 134 of the Companies Act, 2013 in few instances.*
 - d) *Company has not provided Bonus for the financial year 2020-21 to the employees as required under Payment of Bonus Act, 1965.*

We further report that :

During the year, the Board of Directors of the Company stands superseded as a consequence of the initiation of Corporate Insolvency Resolution Process (CIRP) in terms of provisions of IBC 2016. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Board meeting minutes for the period under review was signed subsequently with a delay.

Adequate notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The decisions were carried unanimously.

We report that there are adequate systems and processes in the company that commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following significant events have taken place:

1. Appointment of Mr. Nangamangalam Kandhadai Balaji as Chief Financial Officer of the Company with effect 02nd April, 2021.
2. Mr. Amulya Charan (DIN: 00007370) regularised as Director at the annual general meeting held on 30th September, 2021.

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BP & ASSOCIATES
Company Secretaries

3. Mr. Melarcode Krishnaswamy Parameswaran (DIN: 06668018) regularised as Director (Executive) at the annual general meeting held on 30th September, 2021.
4. Resignation of Mr. Moosa Raza (DIN: 00145345) as Independent of Company with effect from 31st October, 2021.
5. Resignation of Mr. Amulya Charan (DIN: 00007370) as Independent Director of the Company with effect from 05th March, 2022.
6. Resignation of Mr. Ramanathan Krishnamoorthy (DIN: 05292993) as Independent Director of the Company with effect from 05th March, 2022.

Date: 08th September, 2022
Place: Chennai

For BP & Associates
Company Secretaries



C. Prabhakar
Partner

M.NO:F11722| CP NO: 11033
UDIN: F011722D000944764

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Ph: 044-24334503. **Email:** secretarial@bpcorpadvisors.com



BP & ASSOCIATES
Company Secretaries

'ANNEXURE A'

To

The Members,
Coastal Energen Private Limited,
No.5, Moores Road, Chennai – 600006.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Due to spread of the COVID-19 pandemic, we have verified the documents electronically, relying on the public domain filed with ROC where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 08th September, 2022
Place: Chennai

For BP & Associates
Company Secretaries



C. Prabhakar
Partner

M.NO:F11722 | CP NO: 11033
UDIN: F011722D000944764

Office Address: New No 443 & 445, 5th Floor, Annexe 1, Guna Complex,
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ANNEXURE – III

ADDENDUM TO THE REPORT OF BOARD OF DIRECTORS

CLARIFICATION OF THE MANAGEMENT OF THE COMPANY IN RESPECT OF THE OBSERVATIONS IN SECRETARIAL AUDIT REPORT

M/s. BP & Associates, Company Secretaries, Chennai (Registration No. 003604S) the Secretarial Auditors of the Company for the FY 21-22 had made certain observations in their Secretarial Audit Report for the Financial Year ended 31st March, 2022.

Pursuant to section 204(3) read with Section 134(3) of the Companies Act, 2013 and all the other provisions, the Management of the Company has provided their explanations for the observations made by the Secretarial Auditors in their Secretarial Audit Report for the financial year under review as given below.

| Sl. No. | Observations | Explanation of Management |
|----------------|---|---|
| a | The Company has not complied the section 117(3) in terms of filing of MGT-14. | In respect of appointment of Managing Director on May 12, 2020, Form MGT-14 was not filed by previous Company Secretary due to his resignation which has been rectified by the current Company Secretary by duly filing the Form MGT-14 in FY 21-22 and thereby the provisions of Section 117(3) have been complied with. |
| b | We observe that, the Transfer of Equity Shares form Fossil Logistics Private Limited (Folio No.28) to Transferee namely, Mrs. Qurrath Jameela (Folio No.29) –Number of Shares 48,72,826 and Mrs. Mariam Habeeb - (Folio No.30) Number of share 48,72,826 was approved by the Board in the 02 nd February, 2021 and subsequently reversed and Cancelled is not tenable as per Companies act, 2013 and rules thereunder. Further, Company also captured the said share transfer in its Annual Return MGT-7 filed for the Financial Year 2020-21 and gaps | The Company cancelled the stated share transfer based on written request received from both Transferor & Transferee and there is no express prohibition of such cancellation of share transfer in the Act when the parties concerned has consented to it. This cancellation will get reflected in the Annual Return to be filed for FY 21-22. The Statutory Registers stands updated accordingly. |

| | | |
|---|--|---|
| | identified in Register of members and Register of transfer relating to this point. | |
| c | The Board of Director's Report for the financial year ending 31 st March 2021 is not in compliance under Section 134 of the Companies Act, 2013 in few instances. | <p>The instances referred in the Report are explained below:</p> <p>a. Section 92(3) of the Companies Act, 2013 mandates that every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report. Whereas, provisions of rule 12(1) of the Companies (Management and Administration) Rules, 2014 requires the companies to attach the extract of the annual return in Form No. MGT-9 with the Board's Report. Nevertheless, if the company has not disclosed the web-link in the Board's report, then, the company is required to attach the extract of the annual return in Form No. MGT-9 with the Board's report, which we have done and hence the Company was in compliance.</p> <p>b. Section 134(3)(f) stipulates that the Board has to provide it's explanation to the qualifications & observations of Statutory / Secretarial Auditors, if there is any. Since there was no audit observation, a separate para was not added to the Board's Report to this effect. However, the Secretarial Audit Report was annexed to the Board of Director's Report for the</p> |

| | | |
|---|---|--|
| | | <p>review period.</p> <p>c. the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year were provided in the Board's Report and the CSR Report annexed in the Annual Report contained the requisite details specified in the Provisions of the Act</p> <p>d. the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 alongwith their status as at the end of the financial year were separately provided under Note No.33 of the Notes to Accounts of the Audited Financials</p> |
| d | The Company has not provided Bonus for the Financial year 2020-21 to the employees as required under Payment of Bonus Act, 1965 | <p>All payments of the Company were controlled by SBI and all payments were processed only after their approval.</p> <p>The payment of bonus could not be processed for the FY 2020-21 as approval from SBI came only on 3rd February 2022, post which the company has gone into insolvency.</p> |

FOR COASTAL ENERGEN PRIVATE LIMITED



RADHAKRISHNAN DHARMARAJAN
INTERIM RESOLUTION PROFESSIONAL

Place: Chennai
Date: 08-09-2022



INDEPENDENT AUDITOR'S REPORT

**To the Members of Coastal Energen Private Limited
(Company under Corporate Insolvency Resolution Process)**

Report on Audit of Financial Statements

1. Qualified Opinion

We have audited the accompanying financial statements of **Coastal Energen Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including Other Comprehensive Income), statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and Loss and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

- i. *As mentioned in Note No. 35(a) to the financial statements, regarding initiation of Corporate Insolvency and Resolution Process and its impact on the going concern Assumption.*
- ii. *As mentioned in Note No. 35(j) to the financial statements, regarding non provision of interest on term loan and cash credit accounts for banks, set off of repayments to principal amounts, its consequent reclassification, regrouping and their impact on the financial statements.*

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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.



3. Emphasis of matters

Without qualifying our report, we draw attention to the following: -

- i. *Note No. 35 (c) (ii) regarding the relinquishment of Long-Term Open Access and charges claimed for the same.*
- ii. *Note No. 35 (g) to the financial statements, regarding provisional attachment order by Enforcement directorate.*
- iii. *Note No. 35(i) and (j) regarding one time settlement, repayment of amounts towards OTS and non provisioning for interest on term loan and Cash credit Accounts.*
- iv. *Note No. 35(l)(i) regarding non-confirmation and non-reconciliation of certain debit/ credit balances in respect of Trade payables, Trade receivables, Other Payables and Loans and advances.*
- v. *Note No. 35(l)(iii) & (iv) regarding non- confirmation and non-reconciliation of certain term loan and Cash credit accounts.*
- vi. *Note No. 35(l)(v) regarding delay in payment of dues to Micro, small and medium sized enterprises beyond the time limit prescribed under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006*

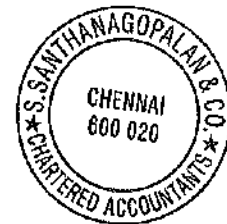
4. Information other than Financial Statements and Auditor's Report thereon

The Company's erstwhile Board of Directors/representative of the Board is responsible for the other information. The other information comprises of the information included in the Management Discussion and Analysis, 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 in the audit or otherwise appears to be materially misstated.

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



5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's erstwhile Board of Directors/representative of the Board is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, the erstwhile Board of Directors/representative of the Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the erstwhile Board of Directors/representative of the Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Companies Act, 2013, We are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

7. Report on Other Legal and Regulatory Requirements

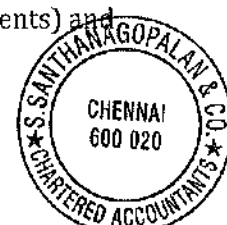
- I) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the **Annexure - A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II) As required by section 143 (3) of the Act, we report that:
 - a) Except for the matters specified in the basis for qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Except for the matters specified in the basis for qualified opinion paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) Except for the matters specified in the basis for qualified opinion paragraph, the Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Except for the matters specified in the basis for qualified opinion paragraph, in our opinion, the aforesaid financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.



- e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Except for the matters specified in the basis for qualified opinion paragraph, with respect to the adequacy of Internal Financial Control over Financial Reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure - B".
- g) With respect to the matters to be included in auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 of the Companies Act, 2013 with respect to Managerial Remuneration does not apply to the company since the company is a Private Limited Company. However, sitting fees has been paid to certain Directors in accordance with the requisite approvals mandated by the provisions of Section 197(5) of the Companies Act, 2013 read with the Rules thereunder

- h) With respect to the other matters included in the Auditor's Report, and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company has disclosed the impact of pending litigation on its financial statements vide note No. 35(c)(iv).
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There were no amounts which are required to be transferred to Investor Education and Protection Fund by the company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries (Refer Note No. 33(x) to the Financial Statements).
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; (Refer Note No. 33(xi) to the Financial Statements) and



c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (iv)(a) and (iv)(b) contain any material mis-statement

v. No dividend has been declared or paid during the year by the Company.



For S. Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

B. Sridhar
Partner

Membership No: 201604
UDIN: 22201604 ANTRWA 4087

Place: Chennai

Date: 08-09-2022

ANNEXURE-A TO THE AUDITOR'S REPORT
(Referred to in Para 7(I) of our report of even date)

i.

(a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) We have been informed that the Property, Plant and Equipment of the Company are physically verified by the Management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, during the physical verification no material discrepancies were noticed.

(c) The title deeds of immovable properties disclosed in the financial statements, are held in the name of the company except for the following:-

| Description of property | Gross carrying value* (Rs.. in crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held (i.e. dates of capitalisation provided in range) | Reason for not being held in the name of the Company |
|-------------------------|--|---------------------|--|--|--|
| Freehold Land | 5.91 | Not Applicable | No | March, 2007 to July, 2022 | Under dispute |

*pertains to 54.69 acres of land

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

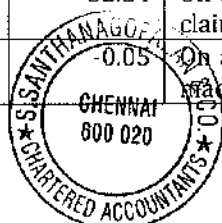
(e) Based on the information and explanations given to us, there have been no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

(a) As explained to us, Inventories have been physically verified by the management at reasonable intervals during the year and in our opinion, the coverage procedure of such verification by the management is appropriate; no material discrepancies were noticed.

(b) The company has been sanctioned working capital limits in excess of Rupees Five crores, in aggregate, from banks on the basis of security of current assets, the following variances have been noted as compared to the books of accounts of the company and the reasons for the variances has been explained by the management as detailed below:-

| Particulars | Month | As per monthly returns | As per books of accounts | Difference | Reason for difference |
|-------------|--------|------------------------|--------------------------|------------|--|
| Stock | Jun-21 | 162.66 | 154.95 | 7.71 | Value of spares submitted to bank as per Stores ledger whereas due to Ind AS entries, differences in books noted |
| Debtors | | 823.49 | 791.25 | 32.24 | On account of provision for change in law claims and late payment surcharges |
| Creditors | | 294.29 | 294.34 | -0.05 | On account of provision for supplies to be made. |



| Particulars | Month | As per monthly returns | As per books of accounts | Difference | Reason for difference |
|-------------|--------|------------------------|--------------------------|------------|--|
| Stock | Sep-21 | 62.84 | 54.12 | 8.72 | Value of spares submitted to bank as per Stores ledger whereas due to Ind AS entries, differences in books noted |
| Debtors | | 971.74 | 971.74 | - | |
| Creditors | | 249.83 | 249.85 | -0.02 | On account of provision for supplies to be made. |
| Stock | Dec-21 | 69.93 | 61.31 | 8.62 | Value of spares submitted to bank as per Stores ledger whereas due to Ind AS entries, differences in books noted |
| Debtors | | 759.72 | 759.80 | (0.08) | |
| Creditors | | 198.59 | 198.63 | -0.04 | On account of provision for supplies to be made. |
| Stock | Mar-22 | 64.76 | 56.59 | 8.17 | Value of spares submitted to bank as per Stores ledger whereas due to Ind AS entries, differences in books noted |
| Debtors | | 632.97 | 632.97 | - | |
| Creditors | | 193.81 | 193.78 | 0.03 | On account of provision for supplies to be made. |

- iii. During the year, the company has not made any investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii)(a) to (f) does not arise.
- iv. There are no loans, investments, guarantees or security extended by the Company under the provisions of Section 185 and 186 of the Companies Act, 2013. Hence, reporting under clause (iv) does not arise.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under. Therefore, reporting under clause (v) of the Companies (Auditor's Report) Order, 2016 does not arise.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under Section 148(1) of the Act. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanations given to us and as per our verification of the records of the Company, in our opinion, the company is generally regular in depositing undisputed statutory dues including Employees Provident Fund, Employees State Insurance, GST, Cess and any other statutory dues applicable to it and there are no statutory dues outstanding for a period of more than six months from the date they become payable as on the last day of the financial year.



- b) According to the information and explanation given to us and as per the records of the Company, the following are the particulars of dues on account of Income Tax and Customs duty which have not been deposited on account of dispute before the forum mentioned there against:

| Nature of Dues | Amount (Rs. Crores) | Assessment Year | Period to which the amount relates | Forum where dispute is pending |
|----------------|---------------------|-----------------|------------------------------------|--------------------------------|
| Income Tax | 1.22 | 2010-11 | 2009-10 | High Court |
| Income Tax | 0.02 | 2012-13 | 2011-12 | CIT Appeals |
| Income Tax | 0.04 | 2013-14 | 2012-13 | CIT Appeals |
| Income Tax | 0.13 | 2014-15 | 2013-14 | CIT Appeals |
| Income Tax | 2.01 | 2015-16 | 2014-15 | CIT Appeals |
| Income Tax | 0.14 | 2016-17 | 2015-16 | CIT Appeals |
| Income Tax | 0.32 | 2010-11 | 2009-10 | Assessing officer |
| Income Tax | 0.04 | 2012-13 | 2011-12 | Assessing officer |
| Income Tax | 0.08 | 2013-14 | 2012-13 | Assessing officer |
| Income Tax | 2.01 | 2015-16 | 2014-15 | Assessing officer |
| Income Tax | 0.14 | 2016-17 | 2015-16 | Assessing officer |

Customs:

Penalty and Redemption fine Rs.10.96 crores demanded on a/c of differential Duty on Barge & Demurrage charges for the period from 2014-2016 - Appeal pending before CESTAT

- viii. During the year, Assessment orders u/s 143(3) r.w.s. 153A under Income Tax Act, 1961 have been passed with adjustments for Depreciation disallowance and additional income offered before settlement commission towards disallowance of Misc. Expenses to an aggregated amount of Rs. 7.93 Crores. The company is of the view that no adjustment is required in the books of accounts with respect to additions made in the said orders as the additions were not in the nature of "transaction that not been recorded in the books of accounts which requires adjustments in the Financial Statements". The company has also preferred appeals against the said orders.
- ix. (a) According to information and explanations given to us, the Company has delayed in repayment of principal and interest dues to the bank or any financial institutions. The overdue amount as on 31st March 2022 is given below and lender wise details have been given in "Annexure- C". Refer Note 35(k) to the financial statements.

| Particulars of interest* | | Particulars of Principal | |
|--------------------------|------------|--------------------------|------------|
| Period in No. of days | Amount | Period in No. of days | Amount |
| (Age wise) | (in Cr Rs) | (Age wise) | (in Cr Rs) |
| >0<=90 | - | >0<=90 | 107.59 |
| >90<=180 | - | >90<=180 | 107.59 |
| >180<=270 | - | >180<=270 | 109.52 |
| >270<=360 | - | >270<=360 | 109.52 |
| >360 | 2,689.30 | >360 | 696.03 |
| | 2,689.30 | | 1,130.24 |

*Interest includes Cash credit default of Rs. 293.81 Crores.



(b) As per the information and explanation provided to us, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(c) As explained to us and based on our verification of books of accounts, term loans were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, the funds raised on a short-term basis have not been utilised for long term purposes.

(e) Based on the books and records verified by us, the Company does not have any subsidiaries, associates or joint ventures. Hence, reporting under clauses (ix) (e) and (f) of the Companies (Auditor's Report) Order, 2020 does not arise.

x. (a) Based on the information and explanations given to us, during the year, the Company has not raised moneys by way of Initial Public Offer or Further Public Offer and hence, reporting under clause 3(x)(a) does not arise.

(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause (x) (b) of the Companies (Auditor's Report) Order, 2020 does not arise.

xi. (a) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

(b) No report under section 143 (12) of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanation given to us, there have been no whistle blower complaints received by the Company during the year. Hence, reporting under clause (xi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence, reporting under clauses (xii) (a) to (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

xiii. Since the Company is a Private Limited Company, the provisions of Section 177 of the Companies Act, 2013 do not apply. According to the information and explanations given to us, all the transactions with related parties are in compliance with Section 188 of the Companies Act, 2013 wherever applicable and the same have been properly disclosed in the Financial Statements as per the applicable accounting standard.

xiv.

(a) Based on the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

(b) Internal Audit has been conducted for the first half of the financial year and the report has been duly considered by us.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Hence, reporting under Clause (xv) of the Companies (Auditor's Report) Order, 2020 does not arise.



- xvi. According to the information and explanation given to us and in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause xvi(a) to (d) of the order does not arise.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year.
- xix. Since the company is undergoing Corporate Insolvency and Resolution Process, we are not in a position to comment on the existence of material uncertainty to meet out its liabilities existing on the balance sheet date as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, gross amount required to be spent by the Company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII (including unspent amount of previous year) is Nil. Hence, reporting under Clause (xx) of the Companies (Auditor's Report) Order, 2020 does not arise.
- xxi. In our opinion, the company does not have to prepare consolidated financial statements. Hence, reporting under Clause (xxi) of the Companies (Auditor's Report) Order, 2020 does not arise.



For S. Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

B. Sridhar
Partner

Membership No: 201604
UDIN: 22201604 AWTRWA4087

Place: Chennai
Date: 08-09-2022

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF COASTAL ENERGEN PRIVATE LIMITED**

**Report on Internal Financial Controls under Section 143 (3) (i) of the Companies Act, 2013
("the Act")**

We have audited the internal financial controls over financial reporting of Coastal Energen Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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, 2022, 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.

Place: Chennai

Date: 08-09-2022



For S. Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

B. Sridhar
Partner

Membership No: 201604
UDIN: 22201604 AWTRWQ4 087

**ANNEXURE - C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
PARTICULARS OF DEFAULT - LENDER WISE**

Term Loan - Interest Default

| Sl.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|----------------------------|--------|----------|-----------|-----------|-----------------|-----------------|
| 1 | Andhra Bank | - | - | - | - | 56.39 | 56.39 |
| 2 | Bank of Baroda | - | - | - | - | 29.76 | 29.76 |
| 3 | Bank of India | - | - | - | - | 113.02 | 113.02 |
| 4 | Canara Bank | - | - | - | - | 72.94 | 72.94 |
| 5 | Central Bank of India | - | - | - | - | 173.18 | 173.18 |
| 6 | Corporation Bank | - | - | - | - | 91.30 | 91.30 |
| 7 | HUDCO | - | - | - | - | 326.98 | 326.98 |
| 8 | IFCI Ltd | - | - | - | - | 196.52 | 196.52 |
| 9 | Indian Bank | - | - | - | - | 105.55 | 105.55 |
| 10 | Indian Overseas Bank | - | - | - | - | 169.27 | 169.27 |
| 11 | Jammu & Kashmir Bank | - | - | - | - | 74.83 | 74.83 |
| 12 | Punjab National Bank | - | - | - | - | 166.72 | 166.72 |
| 13 | State Bank of Hyderabad | - | - | - | - | 68.35 | 68.35 |
| 14 | State Bank of India | - | - | - | - | 357.55 | 357.55 |
| 15 | State Bank of Mysore | - | - | - | - | 51.77 | 51.77 |
| 16 | State Bank of Patiala | - | - | - | - | 100.68 | 100.68 |
| 17 | Tamil Nadu Mercantile Bank | - | - | - | - | 70.82 | 70.82 |
| 18 | UCO Bank | - | - | - | - | 169.89 | 169.89 |
| Grand Total | | - | - | - | - | 2,395.49 | 2,395.49 |

CC - Interest Default:

| Sl.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|---------------------------|--------|----------|-----------|-----------|---------------|---------------|
| 1 | Andhra Bank | - | - | - | - | 6.93 | 6.93 |
| 2 | Bank of Baroda | - | - | - | - | 5.75 | 5.75 |
| 3 | Central bank of India | - | - | - | - | 14.95 | 14.95 |
| 4 | Canara Bank | - | - | - | - | 22.79 | 22.79 |
| 5 | Corporation Bank | - | - | - | - | 7.21 | 7.21 |
| 6 | Indian Bank | - | - | - | - | 17.18 | 17.18 |
| 7 | Indian Overseas Bank | - | - | - | - | 25.20 | 25.20 |
| 8 | Jammu & Kashmir | - | - | - | - | 11.11 | 11.11 |
| 9 | Punjab National Bank | - | - | - | - | 24.28 | 24.28 |
| 10 | State bank of India | - | - | - | - | 10.96 | 10.96 |
| 11 | State bank of Hyderabad | - | - | - | - | 108.45 | 108.45 |
| 12 | State bank of Mysore | - | - | - | - | 9.76 | 9.76 |
| 13 | State bank of Patiala | - | - | - | - | 17.43 | 17.43 |
| 14 | Tamilnadu Mercantile bank | - | - | - | - | 11.81 | 11.81 |
| Grand Total | | - | - | - | - | 293.81 | 293.81 |



Term Loan – Principal Default:

| SI.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|----------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| 1 | Andhra Bank | 3.94 | 3.94 | 4.02 | 4.02 | 7.35 | 23.28 |
| 2 | Bank of Baroda | 4.30 | 4.30 | 4.37 | 4.37 | 53.88 | 71.23 |
| 3 | Bank of India | 6.07 | 6.07 | 6.18 | 6.18 | 14.16 | 38.67 |
| 4 | Canara Bank | 3.37 | 3.37 | 3.43 | 3.43 | 18.72 | 32.34 |
| 5 | Central Bank of India | 12.84 | 12.84 | 13.07 | 13.07 | 69.66 | 121.47 |
| 6 | Corporation Bank | 4.10 | 4.10 | 4.18 | 4.18 | 40.70 | 57.26 |
| 7 | HUDCO | 5.35 | 5.35 | 5.51 | 5.51 | 40.83 | 62.55 |
| 8 | IFCI Ltd | 8.35 | 8.35 | 8.41 | 8.41 | 53.79 | 87.29 |
| 9 | Indian Bank | 7.89 | 7.89 | 8.05 | 8.05 | 41.91 | 73.78 |
| 10 | Indian Overseas Bank | 10.69 | 10.69 | 10.87 | 10.87 | 55.22 | 98.35 |
| 11 | Jammu & Kashmir Bank | 3.61 | 3.61 | 3.68 | 3.68 | 19.26 | 33.86 |
| 12 | Punjab National Bank | 14.25 | 14.25 | 14.52 | 14.52 | 59.04 | 116.59 |
| 13 | State Bank of Hyderabad | - | - | - | - | - | - |
| 14 | State Bank of India | - | - | - | - | - | - |
| 15 | State Bank of Mysore | 3.81 | 3.81 | 3.88 | 3.88 | 6.21 | 21.60 |
| 16 | State Bank of Patiala | 7.38 | 7.38 | 7.49 | 7.49 | 120.44 | 150.20 |
| 17 | Tamil Nadu Mercantile Bank | 3.20 | 3.20 | 3.26 | 3.26 | 19.88 | 32.78 |
| 18 | UCO Bank | 8.43 | 8.43 | 8.59 | 8.59 | 74.97 | 108.99 |
| Grand Total | | 107.59 | 107.59 | 109.52 | 109.52 | 696.03 | 1,130.24 |

For S. Santhanagopalan & Co.

Chartered Accountants

Firm registration no: 003604S



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B. Sridhar



Partner

Membership No: 201604

UDIN: 22201604AWTRW4089

Place: Chennai

Date: 08-09-2022

| COASTAL ENERGEN PRIVATE LIMITED NO.4, MOORES ROAD, BUHARI TOWERS,EGMORE, CHENNAI-600006 Balance Sheet as at 31st March 2022 | | | |
|--|----------|--|-----------------------|
| (Amounts in Crores) | | | |
| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 2 (a) | 6,776.76 | 6,976.05 |
| Capital work-in-progress | 2 (b) | 0.09 | 0.19 |
| Intangible assets | 2 (c') | 1.76 | 1.84 |
| - Other Financial Assets | 3 | - | 150.00 |
| Other non current assets | 4 | 1.04 | 1.03 |
| Current assets | | | |
| Inventories | 5 | 58.36 | 81.52 |
| Financial assets | | | |
| - Trade receivable | 6 | 682.08 | 949.43 |
| - Cash and cash equivalents | 7 | 3.86 | 128.61 |
| - Other bank balances | 8 | 20.02 | 20.00 |
| Current tax assets (Net) | 9 | 3.72 | 1.88 |
| Other current assets | 10 | 46.15 | 19.68 |
| TOTAL ASSETS | | 7,593.84 | 8,330.24 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 11 | 210.90 | 210.90 |
| Other equity | 12 | (705.40) | (645.45) |
| Non-current liabilities | | | |
| a) Financial liabilities | | | |
| - Borrowings | 13 | 2,118.41 | 2,825.19 |
| (b) Provisions | 14 | 1.45 | 1.03 |
| (c) Deferred tax liabilities (Net) | 15 | 149.78 | 169.32 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| - Borrowings | 16 | 2,715.29 | 2,735.39 |
| - Trade payables | 17 | | |
| Total outstanding dues of micro and small enterprises | | 2.66 | 10.03 |
| Total outstanding dues of creditors other than micro and small enterprises | | 328.43 | 296.24 |
| - Other financial liabilities | 18 | 2,769.94 | 2,725.43 |
| Other current liabilities | 19 | 2.01 | 1.76 |
| Provisions | 20 | 0.37 | 0.40 |
| TOTAL EQUITY & LIABILITIES | | 7,593.84 | 8,330.24 |
| Significant accounting policies | 1 | | |
| Other notes to Financial Statements | 2-35 | | |
| The notes referred to above form integral part of these financial statements | | | |
| For and on behalf of Coastal Energen Private Limited | | For S.Santhanagopalan & Co. | |
| | | Chartered Accountants | |
| | | Firm registration no: 003604S | |
| -Sd-  | | -Sd-  | |
| Radhakrishnan Dharmarajan | | B. Sridhar | |
| Interim Resolution Professional | | Partner | |
| Registration No.: IBBI/IPA-001/IP-P00508/2017-2018/10909 | | Membership No: 201604 | |
| Place: Chennai | | | |
| Date : 08-09-2022 | | | |

COASTAL ENERGEN PRIVATE LIMITED
NO.4, MOORES ROAD, BUHARI TOWERS, EGMORE, CHENNAI-600006
Statement of Profit and Loss for the year ended 31st March 2022

(Amounts in Crores)

| Particulars | Note No. | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|----------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue from operations | 21 | 913.89 | 1,897.29 |
| Other income | 22 | 40.72 | 41.65 |
| | | 954.61 | 1,938.94 |
| Expenses | | | |
| Cost of materials consumed | 23 | 598.07 | 716.41 |
| Purchase of Energy | | - | 165.35 |
| Employee benefits expense | 24 | 12.56 | 16.93 |
| Finance costs | 25 | 2.22 | 4.30 |
| Depreciation and amortisation expense | 2 (a) | 199.75 | 200.30 |
| Other expenses | 26 | 221.22 | 144.17 |
| | | 1,033.81 | 1,247.45 |
| Profit/(Loss) Before Tax | | (79.20) | 691.48 |
| Tax expense | | - | - |
| Current tax | 15 | (19.54) | 169.32 |
| Deferred tax | | (19.54) | 169.32 |
| Total tax expense | | | |
| Profit/(Loss) for the period | | (59.66) | 522.17 |
| Other Comprehensive Income | | | |
| A i) Items that will not be reclassified to profit and loss | | | |
| Remeasurements of post employment benefit obligations | | (0.29) | 0.64 |
| Changes in fair value of FVOCI equity instruments | | - | - |
| Others | | - | - |
| ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Other Comprehensive Income for the year | | (0.29) | 0.64 |
| Total Comprehensive Income for the year | | (59.95) | 522.81 |
| Earnings per equity share (in Rs.) | 27 | | |
| (1) Basic | | (2.84) | 24.79 |
| (2) Diluted | | (2.84) | 24.79 |

Significant accounting policies 1
Other notes to Financial Statements 2-35
The notes referred to above form integral part of these financial statements


For and on behalf of Coastal Energen Private Limited

-Sd- 
Radhakrishnan Dharmarajan
Interim Resolution Professional
Registration No.: IBBI/IPA-001/IP-P00508/2017-2018/10909

Place: Chennai
Date : 08-09-2022



For S. Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

-Sd- 
B. Sridhar
Partner
Membership No: 201604

COASTAL ENERGEN PRIVATE LIMITED
NO.4, MOORES ROAD, BUHARI TOWERS,EGMORE, CHENNAI-600006
Statement of Cash Flows for the year ended 31st March 2022

| (Amounts in Crores) | | |
|--|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Cash flow from operating activities | | |
| Profit/(loss) before exceptional items, prior period adjustments and taxes | (79.20) | 691.48 |
| Prior period adjustments, net | | |
| Adjustments for: | | |
| Depreciation / amortisation | 199.75 | 200.30 |
| Interest income considered separately | (40.27) | (30.87) |
| Interest and finance charges | - | 4.30 |
| Provision for Bad and Doubtful Debts | 0.12 | 0.51 |
| Loss/(profit) on Sale/Derecognition of Fixed Assets | 0.20 | 0.20 |
| Operating profit/(loss) before working capital changes | 80.59 | 865.92 |
| (Increase)/Decrease in loans & advances, current and non-current assets | 388.92 | 386.68 |
| (Increase)/Decrease in Inventories | 23.17 | (28.17) |
| Increase/(Decrease) in current and non current liabilities | 69.58 | (38.89) |
| Increase/(Decrease) in provisions | 0.10 | 0.52 |
| Cash generated from operations | 562.36 | 1,186.05 |
| Income taxes paid | - | - |
| Net cash (used in) / generated from operating activities (A) | 562.36 | 1,186.05 |
| Cash flow from investing activities | | |
| Purchase / Capitalisation / Reversal of fixed assets | (1.35) | (0.64) |
| Sale / reversal of Fixed Assets | 0.87 | 0.01 |
| Interest income received | 40.27 | 30.87 |
| Net cash used in investing activities (B) | 39.79 | 30.24 |
| Cash flow from financing activities | | |
| Term loans received/(repaid) | (726.88) | (1,199.02) |
| Interest and finance charges paid | - | (4.30) |
| Net cash generated from financing activities (C) | (726.88) | (1,203.32) |
| Net Increase in cash and cash equivalents (A+B+C) | (124.74) | 12.97 |
| Cash and cash equivalents at the beginning of the year | 148.62 | 135.65 |
| Cash and cash equivalents at the end of the year | 23.88 | 148.62 |

For and on behalf of Coastal Energen Private Limited

-Sd-

Radhakrishnan Dharmarajan
Interim Resolution Professional
Registration No.: IBBI/IPA-001/IP-P00508/2017-2018/10909

Place: Chennai
Date : 08-09-2022



For S.Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

-Sd-

B. Sridhar
Partner
Membership No: 201604

COASTAL ENERGEN PRIVATE LIMITED
Statement of changes in equity for the year ended 31st March 2022

A Equity Share Capital

(1) Current reporting period

(Amounts in Crores)

| Particulars | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------|--|--|---|---|--|
| Equity shares with voting rights | 210.90 | - | 210.90 | - | 210.90 |

(2) Previous reporting period

(Amounts in Crores)

| Particulars | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------|--|--|---|---|--|
| Equity shares with voting rights | 210.90 | - | 210.90 | - | 210.90 |

B Other Equity

(1) Current reporting period

| Particulars | Reserves and Surplus | | Total |
|---|----------------------------|-------------------|----------|
| | Securities Premium Reserve | Retained Earnings | |
| Balance at the beginning of the current reporting period | 1,033.33 | (1,678.78) | (645.45) |
| Changes in accounting policy or prior period errors | - | - | - |
| Restated balance at the beginning of the current reporting period | 1,033.33 | (1,678.78) | (645.45) |
| Total Comprehensive Income for the current year | - | (59.66) | (59.66) |
| Dividends | - | - | - |
| Transfer to retained earnings | - | - | - |
| Other Comprehensive Income For the current year | - | (0.29) | (0.29) |
| Balance at the end of the current reporting period | 1,033.33 | (1,738.73) | (705.40) |

(2) Previous reporting period

| Particulars | Reserves and Surplus | | Total |
|---|----------------------------|-------------------|------------|
| | Securities Premium Reserve | Retained Earnings | |
| Balance at the beginning of the current reporting period | 1,033.33 | (2,201.59) | (1,168.26) |
| Changes in accounting policy or prior period errors | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - |
| Total Comprehensive Income for the current year | - | 522.17 | 522.17 |
| Dividends | - | - | - |
| Transfer to retained earnings | - | - | - |
| Other Comprehensive Income For the current year | - | 0.64 | 0.64 |
| Balance at the end of the current reporting period | 1,033.33 | (1,678.78) | (645.45) |

For and on behalf of Coastal Energen Private Limited

-Sd- 
Radhakrishnan Dharmarajan
Interim Resolution Professional
Registration No.: IBBI/IPA-001/IP-P00508/2017-2018/10909

Place: Chennai
Date : 08-09-2022



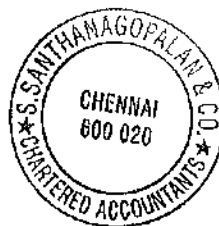
For S.Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S


-Sd-
B. Sridhar
Partner
Membership No: 201604

| COASTAL ENERGEN PRIVATE LIMITED | | | | | | | | | | | |
|--|---|------------------|--------------------------|---|------------------|------------------|---------------------------|--------------------------------------|------------------|---------------------------------|---------------------------------|
| Notes forming integral part to the Balance sheet and statement of Profit & Loss for the year 31st March 2022 | | | | | | | | | | | |
| Note 2 | | | | | | | | | | | |
| Sl. No | Particulars | Gross Block | | | Depreciation | | | Net Block | | | Carrying Value as on 31.03.2021 |
| | | As on 31.03.2021 | Addition during the year | Deduction / Adjustment/ Capitalised during the year | As on 31.03.2022 | As on 31.03.2021 | Depreciation for the year | Depreciation written back / reversed | As on 31.03.2022 | Carrying Value as on 31.03.2022 | |
| 2 (a) | Property, Plant and Equipment | | | | | | | | | | |
| 1 | Land: | | | | | | | | | | |
| | Free Hold Land | 162.76 | | 0.75 | 162.02 | - | 0.05 | | - | 162.02 | 162.76 |
| | Lease Hold Land | 3.31 | | | 3.31 | 2.51 | | | 2.55 | 0.76 | 0.81 |
| 2 | Buildings | 150.81 | 0.75 | - | 151.55 | 49.14 | 7.28 | 0.34 | 56.07 | 95.48 | 101.67 |
| 3 | Plant and Equipment | 7,810.48 | 0.27 | 0.22 | 7,810.53 | 1,101.45 | 192.23 | 0.03 | 1,293.65 | 6,516.88 | 6,709.03 |
| 4 | Office Equipment | 2.43 | 0.16 | 0.02 | 2.57 | 2.24 | 0.05 | | 2.29 | 0.28 | 0.19 |
| 5 | Furnitures & Fixtures | 2.59 | | 0.01 | 2.58 | 1.92 | 0.13 | | 2.05 | 0.53 | 0.67 |
| 6 | Computers | 2.30 | 0.18 | | 2.48 | 1.85 | 0.19 | | 2.04 | 0.44 | 0.45 |
| 7 | Vehicles | 2.24 | | 0.19 | 2.06 | 1.77 | 0.10 | 0.18 | 1.69 | 0.37 | 0.48 |
| | TOTAL TANGIBLE ASSETS (A) | 8,136.93 | 1.35 | 1.18 | 8,137.10 | 1,160.87 | 200.02 | 0.55 | 1,360.34 | 6,776.76 | 6,976.05 |
| 2 (b) | Capital Work in Progress | 0.19 | - | 0.09 | 0.09 | - | | | | 0.09 | 0.19 |
| | TOTAL CAPITAL WORK IN PROGRESS (B) | 0.19 | - | 0.09 | 0.09 | - | - | - | - | 0.09 | 0.19 |
| 2 (c) | Intangible Assets | | | | | | | | | | |
| 1 | Computer Software | 0.97 | | | 0.97 | 0.75 | 0.07 | | 0.82 | 0.15 | 0.22 |
| 2 | Goodwill | 2.02 | | | 2.02 | 0.40 | | | 0.40 | 1.61 | 1.61 |
| | TOTAL INTANGIBLE ASSETS (C) | 2.99 | - | - | 2.99 | 1.15 | 0.07 | - | 1.23 | 1.76 | 1.84 |
| | Total [A + B + C] | 8,140.11 | 1.35 | 1.28 | 8,140.18 | 1,162.03 | 200.09 | 0.55 | 1,361.57 | 6,778.62 | 6,978.08 |
| | (Previous Year) | 8,140.24 | 0.64 | 0.78 | 8,140.11 | 952.30 | 200.30 | 0.57 | 1,162.03 | 6,978.08 | 7,177.94 |



| | | | |
|---|--|-----------------------|-----------------------|
| | | | |
| 3 | Other Financial asset | As at 31st March 2022 | As at 31st March 2021 |
| | Advance towards OTS* | - | 150.00 |
| | Total | - | 150.00 |
| | *Refer Note No. 35 (d) & (i) | | |
| 4 | Other Non Current asset | As at 31st March 2022 | As at 31st March 2021 |
| | Security Deposits | 0.40 | 0.39 |
| | Prepaid expenses - Non Current | 0.64 | 0.64 |
| | Total | 1.04 | 1.03 |
| 5 | Inventories | As at 31st March 2022 | As at 31st March 2021 |
| | (Lower of Cost or NRV) | | |
| | Raw Material (including Stock in Transit) | | |
| | - Stock of Coal | 9.26 | 26.08 |
| | - Stock of Oil | 1.41 | 1.19 |
| | Stores and Spares | 47.69 | 54.25 |
| | Total | 58.36 | 81.52 |
| 6 | Trade Receivables | As at 31st March 2022 | As at 31st March 2021 |
| | (Unsecured, considered good) | | |
| | (i) Outstanding for a period exceeding 6 months from the date they are due for payment | 499.83 | 273.58 |
| | (ii) Others | 182.25 | 675.85 |
| | (Unsecured, Considered doubtful) | | - |
| | Other Trade receivables | | |
| | (i) Outstanding for a period exceeding 6 months from the date they are due for payment | 0.49 | 0.60 |
| | Less: Provision for Bad and Doubtful Debts | (0.49) | (0.60) |
| | Total | 682.08 | 949.43 |



| | | | |
|----|--|------------------------------|------------------------------|
| 7 | Cash and cash equivalents | As at 31st March 2022 | As at 31st March 2021 |
| | Balances with banks | | |
| | - Current accounts | 3.85 | 128.60 |
| | Cash on hand | 0.01 | 0.01 |
| | Total | 3.86 | 128.61 |
| | | | |
| 8 | Other Bank balances | As at 31st March 2022 | As at 31st March 2021 |
| | Term Deposits held as Margin Money | 20.02 | 20.00 |
| | Total | 20.02 | 20.00 |
| | | | |
| 9 | Current Tax assets | As at 31st March 2022 | As at 31st March 2021 |
| | TDS and Advance Tax (net of provision for taxation) (Provision for taxation - CY : Nil; PYs: Rs. Nil) | 3.72 | 1.88 |
| | Total | 3.72 | 1.88 |
| | | | |
| 10 | Other Current Assets | As at 31st March 2022 | As at 31st March 2021 |
| | Capital advance | 1.51 | 1.51 |
| | Prepaid expenses | 10.59 | 8.07 |
| | Balance with Statutory/Government authorities | 0.04 | 0.02 |
| | Other Advances | | |
| | - Staff Advance | 0.01 | 0.07 |
| | - Others | 33.99 | 10.00 |
| | Total | 46.15 | 19.68 |
| | | | |



COASTAL ENERGEN PRIVATE LIMITED
Notes to the Balance Sheet as at 31st March, 2022

(Amounts in Crores)

| Note 11 : Share Capital | As at 31st March, 2022 | As at 31st March, 2021 |
|--|-----------------------------------|-----------------------------------|
| a) Authorised Capital | 225.00 | 225.00 |
| 22,50,00,000 Equity shares of Rs. 10 each (PY: 22,50,00,000 Equity shares of Rs. 10 each) | 225.00 | 225.00 |
| Issued, Subscribed and Fully Paid up Capital | 210.90 | 210.90 |
| 21,09,04,235 Equity Shares of Rs. 10/- each, Fully paid up (PY : 21,09,04,235 Equity shares of Rs.10/- each, fully paid up) | 210.90 | 210.90 |

b) Reconciliation of number of shares outstanding at the beginning and end of reporting period

| Particulars | Equity Shares As at 31st March, 2022 | | Equity Shares As at 31st March, 2021 | |
|---|---|---------------|---|---------------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 21,09,04,235 | 210.90 | 21,09,04,235 | 210.90 |
| Shares Issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 21,09,04,235 | 210.90 | 21,09,04,235 | 210.90 |

c) (i) Rights and Preferences attached to equity shares

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the Company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

(ii) There are no restrictions attached to equity shares.

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

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|--|-------------------------------|----------|-------------------------------|----------|
| | No. of shares | % | No. of shares | % |
| Precious Energy Holdings Limited, BVI | 3,36,90,090 | 15.97% | 3,36,90,090 | 15.97% |
| Mutiara Energy Holdings Limited, Mauritius | 5,14,71,157 | 24.40% | 5,14,71,157 | 24.40% |
| State Bank of India | 3,90,93,205 | 18.54% | 3,90,93,205 | 18.54% |
| Punjab National Bank | 1,21,70,000 | 5.77% | 1,21,70,000 | 5.77% |
| Other Banks and Financial Institution | 5,62,97,955 | 26.69% | 5,62,97,955 | 26.69% |

e) Details of shares held by promoters

| Particulars | As at 31st March, 2022 | | | As at 31st March, 2021 | | |
|---|-------------------------------|---------------|------------------------------------|-------------------------------|---------------|------------------------------------|
| | No. of shares | % | % of change during the year | No. of shares | % | % of change during the year |
| Precious Energy Holdings Limited, BVI | 3,36,90,090 | 15.97% | - | 3,36,90,090 | 15.97% | - |
| Mutiara Energy Holdings Limited, Mauritius | 5,14,71,157 | 24.40% | - | 5,14,71,157 | 24.40% | - |
| Ahmed Buhari on behalf of Mutiara Energy Holdings Limited | 10 | 0.00% | - | 10 | 0.00% | - |
| Total | 8,51,61,257 | 40.38% | - | 8,51,61,257 | 40.38% | - |

f) Details of shares pledged*

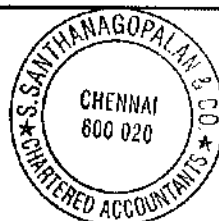
| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|--|-------------------------------|---------------|-------------------------------|---------------|
| | No. of shares | Amount | No. of shares | Amount |
| Precious Energy Holdings Limited, BVI | 3,36,90,090 | 33.69 | 3,36,90,090 | 33.69 |
| Mutiara Energy Holdings Limited, Mauritius | 5,14,71,157 | 51.47 | 5,14,71,157 | 51.47 |
| Total | 8,51,61,247 | 85.16 | 8,51,61,247 | 85.16 |

Note: Notice of Invocation have been received from SBI Captrustee Company Ltd, being security agent of lenders for these pledged shares

g) During the period of five years immediately preceding the reporting date including the current year, the company has neither bought back nor issued any bonus shares.



| 12 | Other Equity | As at 31st March 2022 | As at 31st March 2021 |
|---|---|---|--|
| a | Securities premium account Opening balance Changes during the year Closing balance | 1,033.33 - 1,033.33 | 1,033.33 - 1,033.33 |
| b | Retained earnings Opening balance Add: Net Profit/ (Loss) for the year Closing balance | (1,678.78) (59.95) (1,738.73) | (2,201.59) 522.81 (1,678.78) |
| | Total | (705.40) | (645.45) |
| 13 | Borrowings - Non current | As at 31st March 2022 | As at 31st March 2021 |
| | Secured Term Loans: From Banks and Financial Institutions** Less: Current Maturities (Disclosed under Borrowings - Current - Note 16) | 3,698.25 (1,687.01) | 4,275.13 (1,707.12) |
| | Unsecured Term Loan Loans and advances From related party ##[Refer Note. 35(d)] Loan from Promoter Group [Refer Note. 35(d) & (i)] | 107.18 - | 107.18 150.00 |
| | Total | 2,118.41 | 2,825.19 |
| <p>Note: # Refer Note no. 35(j) * From Banks and Financial Institutions (i) Senior Loan Facility (Consortium) i) Primary security & Collateral Security (i) A first mortgage and charge on all the Company's immovable properties, both present and future. (ii) A first charge by way of hypothecation of all the Company's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future. (iii) A first charge on Company's Receivables. (iv) A first charge on the Company's all Accounts, including without limitation, the Trust and Retention Account, the Senior Debt Service Reserve Sub-Account, the Retention Accounts (or any account in substitution thereof) and such Other Bank Accounts that may be opened in terms hereof and of Project documents and in all funds from time to time deposited therein and in all Authorised investments or other securities representing all amounts credited thereto. (v) A first charge on all intangibles of the Company including but not limited to goodwill, rights, undertakings and uncalled capital, present and future. (vi) pledge of 8,51,61,247 equity shares aggregating to 40.37% of equity share capital of the Company held by the Principal Shareholder till the Final Settlement Date. ii) Corporate Guarantee/Undertaking Two Shareholders and one third Party iii) Personal Guarantee One of the Directors of the Company (i) Rate of Interest SBI Base Rate Floating Plus 3.55% ii) Repayment terms Principal portion relating to Unit I Repayable over 44 Quarterly instalments commencing from 30th June 2015 and Unit II Repayable over 44 Quarterly instalments commencing from 30th June 2016 iv) Default in Repayment of Principal and Interest Refer Note no. 35(k)</p> | | | |



| | | | |
|--|---|------------------------------|------------------------------|
| <p>(ii) Sub Ordinate Loan Facility (Consortium)</p> <p>i) Primary security & Collateral Security</p> <p>(i) A Secondary mortgage and charge on all the Company's immovable properties, both present and future.</p> <p>(ii) A Secondary charge by way of hypothecation of all the Company's tangible movable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future.</p> <p>(iii) A Secondary charge on Company's Receivables.</p> <p>(iv) A Secondary charge on the Company's all Accounts, including without limitation, the Trust and Retention Account, the Senior Debt Service Reserve Sub-Account, the Retention Accounts (or any account in substitution thereof) and such Other Bank Accounts that may be opened in terms hereof and of Project documents and in all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto.</p> <p>(v) A Secondary charge on all intangibles of the Company including but not limited to goodwill, rights, undertakings and uncalled capital, present and future.</p> <p>ii) Corporate Guarantee/Undertaking</p> <p>Two Shareholders and one third Party</p> <p>iii) Personal Guarantee</p> <p>One of the Directors of the Company</p> <p>ii) Rate of Interest</p> <p>SBI Base Rate Floating Plus 5.25%</p> <p>iii) Repayment terms</p> <p>Principal portion relating to Unit I Repayable over 44 Quarterly instalments commencing from 30th June 2015 and Unit II Repayable over 44 Quarterly instalments commencing from 30th June 2016</p> <p>iv) Defaults in Repayment of Principal and Interest</p> <p>Refer Note no. 35(k)</p> <p>## Repayable after twelve months from April 2023. Interest - Nil.</p> <p>Default in repayment of principal and interest - Nil</p> | | | |
| 14 | Provisions - Non Current | As at 31st March 2022 | As at 31st March 2021 |
| | Provision for Gratuity | 0.63 | 0.12 |
| | Provision for Leave encashment | 0.81 | 0.91 |
| | Total | 1.45 | 1.03 |
| 15 | Deferred tax liabilities (Net) | As at 31st March 2022 | As at 31st March 2021 |
| | On account of Depreciation | 919.49 | 839.29 |
| | On account of others (including carry forward losses) | (769.71) | (669.98) |
| | Total | 149.78 | 169.32 |
| 16 | Borrowings - Current | As at 31st March 2022 | As at 31st March 2021 |
| | Repayable on demand : From banks## | 1,028.27 | 1,028.27 |
| | Secured | | |
| | Current maturities of long-term borrowings | 1,687.01 | 1,707.12 |
| | Total | 2,715.29 | 2,735.39 |



Refer Note no. 35(j)

* Note

- i) Primary security
 (i) Charge on the immovable assets acquired upto the date of execution of the finance document and hypothecation
 (ii) charge on all the project's bank accounts, including but not limited to the trust & Retention account
 (iii) charge by way of equitable mortgage on the balance immovable assets of the project
 (iv) pledge of 8,51,61,247 equity shares aggregating to 40.37% of paid up share capital of the Company held by the Principal Shareholder till the Final Settlement Date.
- ii) Collateral Security
 Equitable Mortgage over the land around 301.15 acres Kumararediyar Puram(KR Puram), K Thalavai Puram(KT Puram) & Vellram Villages and 200.8 in Vellaram, KT Puram, KR Puram and Eppodumvendram, Tuticorin District, Tamilnadu belonging to Fossil Logistics Private Limited
- ii) Corporate Guarantee/undertaking
 Two Shareholders and one third Party
- iii) Personal Guarantee
 One of the Directors of the Company
- ii) Rate of Interest
 SBI Base Rate Floating Plus 3.25%
- iv) Defaults in Repayment of Principal and Interest
 Refer Note no. 35(k)

| | | | |
|----|--|------------------------------|------------------------------|
| 17 | Trade Payables | As at 31st March 2022 | As at 31st March 2021 |
| | Due to micro, small and medium and micro enterprises | 2.66 | 10.03 |
| | Amount payable to contractors/suppliers/others | 328.43 | 296.24 |
| | Total | 331.09 | 306.27 |
| 18 | Other Financial Liabilities | As at 31st March 2022 | As at 31st March 2021 |
| | Interest Accrued and due on Borrowings* | 2,392.09 | 2,392.49 |
| | Salary Payable | 0.68 | 1.69 |
| | Other Payables# | 377.18 | 331.23 |
| | Total | 2,769.94 | 2,725.42 |
| | *Refer Note No. 35(j) (#includes payable towards capital expenditure) | | |
| 19 | Other current liabilities | As at 31st March 2022 | As at 31st March 2021 |
| | Statutory Dues Payable | 2.01 | 1.76 |
| | Total | 2.01 | 1.76 |
| 20 | Provisions - Current | As at 31st March 2022 | As at 31st March 2021 |
| | Provision for Gratuity | 0.14 | 0.18 |
| | Provision for Leave Encashment | 0.23 | 0.22 |
| | Total | 0.37 | 0.40 |



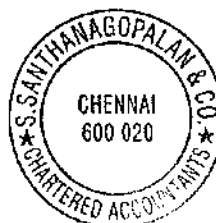
COASTAL ENERGEN PRIVATE LIMITED

No.4, Moores Road, Buharla Towers, Egmore, Chennai-600006

Notes to the statement of Profit & Loss for the year ended 31st March 2022

(Amounts in Crores)

| Note No | Particulars | for the year ended 31st March 2022 | for the year ended 31st March 2021 |
|-----------|--|---------------------------------------|---------------------------------------|
| 21 | Revenue from operations | | |
| | Sale of Power and Claims | 913.06 | 1,911.73 |
| | Less: Discount allowed / Rebate given | - | (14.92) |
| | Net Sale of Power and Claims | 913.06 | 1,896.81 |
| | Sale of Fly ash | 0.82 | 0.48 |
| | Total | 913.89 | 1,897.29 |
| 22 | Other Income | | |
| | Interest Income | 40.27 | 30.87 |
| | Foreign exchange gain | - | 9.84 |
| | Other Non - operating Income | 0.11 | 0.91 |
| | Excess Provision/advances Written Back | 0.34 | 0.02 |
| | Total | 40.72 | 41.65 |
| 23 | Cost of materials consumed | | |
| | <u>Coal</u> | | |
| | Opening stock | 26.08 | 1.07 |
| | Add: Purchases made during the year | 570.58 | 732.69 |
| | Less: Closing stock | 9.26 | 26.08 |
| | Consumption coal | 587.40 | 707.68 |
| | <u>Oil</u> | | |
| | Opening stock | 1.19 | 0.76 |
| | Add: Purchases made during the year | 10.88 | 9.16 |
| | Less: Closing stock | 1.41 | 1.19 |
| | Consumption Oil | 10.66 | 8.73 |
| | Total | 598.07 | 716.41 |
| 24 | Employee benefit expense | | |
| | Salaries and Wages | 10.85 | 14.56 |
| | Gratuity | 0.18 | 0.40 |
| | Contribution to Provident Fund and other funds | 0.62 | 0.67 |
| | Staff Welfare | 0.90 | 1.30 |
| | Total | 12.56 | 16.93 |
| 25 | Finance costs | | |
| | Bank Charges | 1.78 | 3.54 |
| | Processing and other charges | 0.40 | 0.73 |
| | Other interest | 0.03 | 0.04 |
| | Total | 2.22 | 4.30 |



| Note No | Particulars | for the year ended 31st March 2022 | for the year ended 31st March 2021 |
|---------|---|---------------------------------------|---------------------------------------|
| 26 | Other expenses | | |
| | Direct Expenses | | |
| | Operation and Maintenance Expenses | 149.56 | 66.74 |
| | Transmission and Other charges | 16.72 | 15.25 |
| | Consumption of Stores and Spares | 16.31 | 9.52 |
| | Other Administrative Expenses | | |
| | Loss on sale/derecognition of assets | 0.20 | 0.20 |
| | Insurance Expenses | 8.40 | 10.70 |
| | Travelling and conveyance | 1.17 | 1.16 |
| | Legal and professional charges | 5.55 | 9.63 |
| | Rates, taxes and Penalty | 0.84 | 1.40 |
| | Rent | 0.70 | 0.68 |
| | Repairs and Maintenance | | |
| | -Plant and Machinery | 0.07 | 0.13 |
| | -Buildings | 5.58 | 9.10 |
| | -Others | 0.48 | 0.53 |
| | Security charges | 1.75 | 1.94 |
| | Electricity charges | 0.14 | 0.12 |
| | Communication costs | 0.36 | 0.31 |
| | CSR Expenses* | 0.36 | 0.50 |
| | Software maintenance expenses | 0.35 | 0.47 |
| | Business promotion expenses | 0.12 | 0.16 |
| | Printing and stationery | 0.06 | 0.08 |
| | Audit fees | | - |
| | -For Statutory Audit | 0.13 | 0.13 |
| | Donation | 0.31 | - |
| | Bad debts Written off | - | 14.59 |
| | Provision for Bad and Doubtful debt | 0.12 | 0.51 |
| | Sitting fees paid | 0.18 | 0.23 |
| | Foreign exchange loss | 11.50 | - |
| | Miscellaneous expenses | 0.27 | 0.09 |
| | (under this head, there is no expenditure which is in excess of 1% of Revenue of Operations or Rs.10 Lakhs whichever is higher) | | |
| | * Refer Note No. 33(xvii) for details on CSR Expenditure. | | |
| | Total | 221.22 | 144.17 |
| 27 | Earnings Per Share | | |
| | Net Profit/(Loss) attributable to Equity Shareholders (A) (In Rs.) | (59.95) | 522.81 |
| | Weighted average number of equity shares outstanding during the period (B) (In Nos.) | 210,904,235 | 210,904,235 |
| | Basic & Diluted EPS (A/B) (in Rs.) | (2.84) | 24.79 |



28. Assets Pledged as Security:

(Amounts in Crores)

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------------------|-----------------------|
| Non-current assets | | |
| First Charge | | |
| Non - Financial Assets | | |
| Property, Plant and Equipment | 6,776.76 | 6,976.05 |
| Intangible assets | 1.76 | 1.84 |
| Total Non-current assets pledged as security | 6,778.52 | 6,977.89 |
| Current assets | | |
| First Charge | | |
| Financial assets | | |
| Trade receivable | 682.08 | 949.43 |
| Cash and cash equivalents | 3.86 | 139.12 |
| Other bank balances | 20.02 | 20.00 |
| Non - Financial Assets | | |
| Inventories | 58.36 | 81.52 |
| Total Current assets pledged as security | 764.32 | 1,179.57 |
| Total assets pledged as security | 7,542.84 | 8,157.46 |



29. Fair Value Measurements:

a) Financial Instruments by Category and their Fair Values:

| Particulars | As at 31st March 2022 | | As at 31st March 2021 | |
|------------------------------------|-----------------------|-----------------|-----------------------|-----------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial Assets: | | | | |
| Trade Receivables | 682.08 | 682.08 | 949.43 | 949.43 |
| Cash and Cash Equivalents | 3.86 | 3.86 | 139.12 | 139.12 |
| Other Bank balances | 20.02 | 20.02 | 20.00 | 20.00 |
| Total Financial Assets | 705.96 | 705.96 | 1,108.55 | 1,108.55 |
| Financial Liabilities: | | | | |
| Borrowings | 4,833.70 | 4,833.70 | 3,012.52 | 3,012.52 |
| Trade Payables | 328.43 | 328.43 | 192.14 | 192.14 |
| Other Financial Liabilities | 2,769.95 | 2,769.95 | 5,398.12 | 5,398.12 |
| Total Financial Liabilities | 7,932.08 | 7,932.08 | 8,602.78 | 8,602.78 |

b) Fair Value Hierarchy:

The Company has estimated all its financial assets and liabilities under Level 3 prescribed under the Indian Accounting Standards.

c) Valuation Techniques:

The discount rates considered is the borrowing rate charged by the lead lender of the Company after giving effect to the applicable tax rate. The carrying amount of current financial assets and liabilities are considered to be the same as their fair values due to their short-term nature.

The fair value of long-term borrowings with floating rate of interest is not impacted due to interest rate changes and will not be significantly different from the carrying amounts as there is no significant change in the underlying credit risk of the Company's borrowings. For financial assets and liabilities that are measured at fair value, the carrying amount is equal to their fair values.

30. Capital Management:

The Company monitors capital on the basis of total equity on periodic basis. Equity comprises of all components of equity including fair value impact and debt includes both long-term and short-term loans.

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--------------|-----------------------|-----------------------|
| Equity | (494.50) | (434.55) |
| Debt | 4,833.70 | 5,560.58 |
| Total | 4,339.20 | 5,126.03 |



31. Income Taxes:

The major components of Income Tax expense for the period ended 31st March 2022 is as under:

a) Income Tax recognized in Statement of Profit and Loss:

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--------------|---------------------------------------|---------------------------------------|
| Current Tax | - | - |
| Deferred Tax | (19.54) | 169.32 |
| Total | (19.54) | 169.32 |

Deferred tax asset as at 31st March 2022 is recognized to the extent of Deferred tax liability arising out of temporary differences between accounting as per books and accounting as per Income Tax Act, 1961.

b) Reconciliation of Tax expense and the accounting profit multiplied by the tax rate:

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|---|---------------------------------------|---------------------------------------|
| Profit before tax | (79.20) | 691.48 |
| Tax on the above | NIL | NIL |
| Tax effect of amounts which are not deductible / (taxable) in calculating taxable income: | NIL | NIL |
| Income Tax expense | - | - |

c) Tax assets / liabilities

| Particulars | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|---------------------------------------|---------------------------------------|
| Opening tax asset / (liability) | 1.88 | 1.78 |
| Add : Taxes Paid | - | - |
| Add : Credit availed | 1.84 | 0.10 |
| Less : Refund | - | - |
| Less: Current tax payable | - | - |
| Closing tax asset / (liability) | 3.72 | 1.88 |

d) Deferred Tax

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------------------|--------------------------|
| Deferred Tax Liability: | | |
| On account of Depreciation differences | 919.49 | 839.29 |
| Total Deferred Tax Liability | 919.49 | 839.29 |
| Deferred Tax Asset: | | |
| On account of timing differences | 1.55 | (0.02) |
| On account of carried forward losses | 768.16 | 670.00 |
| Total Deferred Tax assets available | 769.71 | 669.98 |
| Recognition of Deferred Tax asset to the extent of Deferred Tax liability | 769.71 | 669.98 |
| Unused Deferred Tax Liability / (asset (Not recognised)) | 149.78 | 169.32 |



32. Financial Risk Management:

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

| Risk | Exposure arising from | Measurement |
|--------------------------------|---|-----------------------------|
| Credit Risk | Cash and cash equivalents, trade receivables and financial assets measured at amortised cost. | Aging analysts |
| Liquidity Risk | Borrowings and other liabilities | Rolling cash flow forecasts |
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee | Sensitivity analysis |
| Market risk - interest rate | Long-term borrowings at variable rates | Sensitivity analysis |

a) Credit Risk:

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to trade customers including outstanding receivables.

i) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Trade Receivable

The company's major trade receivables is from government owned undertaking and hence inherent risk is very minimal. Credit risk related to trade receivables are planned to be mitigated by taking LCs from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors and only sells goods to credit-worthy parties. The Company's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.

The credit risk is very low as the sale of electricity is based on the terms and conditions of the Power Purchase Agreement (PPA), which has been approved by the regulator.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

ii) Expected Credit Loss (ECL)

Ageing of trade receivables and credit risk arising there from is as below:-

FY 2021-22

| Particulars | Outstanding for following periods from due date of transaction | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|--------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 182.25 | 221.51 | 15.48 | - | - | 419.24 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables - considered good | - | - | 19.44 | - | 243.89 | 263.33 |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| Less: Expected Credit Loss | - | - | - | - | - | (0.49) |
| Total | 182.25 | 221.51 | 34.92 | - | 243.89 | 682.08 |



FY 2020-21

| Particulars | Outstanding for following periods from due date of transaction | | | | | |
|--|--|-------------------|--------------|-----------|-------------------|---------------|
| | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | 595.28 | - | 91.54 | - | 0.60 | 687.42 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables - considered good | - | 19.44 | - | - | 243.17 | 262.61 |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| Less: Expected Credit Loss | - | - | - | - | - | (0.60) |
| Total | 595.28 | 19.44 | 91.54 | - | 243.77 | 949.43 |

b) 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 and to close out market positions.

In respect of its existing operations, the Company funds its activities primarily through suppliers credit and the cash flows generated against each power plant. The Company's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

Maturities of Financial Liabilities:

31st March, 2022

(Amounts in Crores)

| Financial Liabilities | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|------------------------------------|------------------|-----------------|-------------------|-----------------|
| Borrowings | 2,715.29 | 1,815.31 | 303.11 | 4,833.70 |
| Trade Payables | 331.09 | - | - | 331.09 |
| Other Financial Liabilities | 2,769.95 | - | - | 2,769.95 |
| Total Financial Liabilities | 5,816.32 | 1,815.31 | 303.11 | 7,934.74 |

31st March, 2021

(Amounts in Crores)

| Financial Liabilities | Less than 1 year | 1 to 5 years | More than 5 years | Total |
|------------------------------------|------------------|-----------------|-------------------|-----------------|
| Borrowings | 2,735.39 | 2,258.10 | 567.09 | 5,560.58 |
| Trade Payables | 306.27 | - | - | 306.27 |
| Other Financial Liabilities | 2,725.43 | - | - | 2,722.04 |
| Total Financial Liabilities | 5,767.09 | 2,258.10 | 567.09 | 8,588.89 |

c) Market Risk:

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as:

i) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure foreign currency risk in case of Trade and other payables.

ii) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS - 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------|---------------------------|---------------------------|
| Variable rate borrowings | 4,726.52 | 5,303.40 |

Also refer note no. 35(j)

Interest Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact of Profit before tax | |
|--|-----------------------------|---------------------------|
| | As at 31st March, 2022 | As at 31st March, 2021 |
| Interest sensitivity | | |
| Interest cost – increase by 5% on existing interest cost* | - | - |
| Interest cost – decrease by 5% on existing interest cost* | - | - |

* Holding all other variables constant.

Also refer note no. 35(j)



Note 33:

i) Matters relating to free hold land

a) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

| Description of property | Gross carrying value* (Rs. in crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held (i.e. dates of capitalisation provided in range) | Reason for not being held in the name of the Company |
|-------------------------|--|---------------------|--|--|--|
| Freehold Land | 5.91 | Not Applicable | No | March, 2007 to July, 2022 | Under dispute |

*pertains to 54.69 acres of land

b) The Company is in the process of getting necessary approvals from the authorities for converting agricultural land aggregating to 74.45 acres to Industrial land having Gross Block of Rs. 8.18 Cr.

c) Pursuant to the provisions of Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961 as amended, the Company has made an application to the relevant authorities seeking permission in respect of the land to the extent of 1029 acres, which is in excess of prescribed limits as set out in the said Act.

ii) Ageing of capital work-in-progress is as below

As at March 31, 2022

(Rs. in Crores)

| Particulars | Amount in Capital work in progress for period of | | | | Total |
|------------------------------------|--|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Capital Work in progress | - | - | - | 0.09 | 0.09 |
| Capital Work in progress suspended | - | - | - | 0.09 | 0.09 |

As at March 31, 2021

(Rs. in Crores)

| Particulars | Amount in Capital work in progress for period of | | | | Total |
|--------------------------|--|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Capital Work in progress | - | - | - | 0.19 | 0.19 |

iii) The Company has not revalued the Property, Plant & Equipment & Intangible assets during the year

iv) There have been no proceedings initiated against the company under the Benami Transactions (Prohibition) Act, 1988

v) The company has not granted any loans or advances in the nature of loan to promoters, key management personnel, other officers or related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, either repayable on demand or without specifying any terms or repayments.

vi) There are no charges or satisfaction is yet to be registered by the Company with Registrar of Companies beyond the statutory period. However, during the year, the company has received a notice from the registrar of companies, regarding discrepancies in secured loan as per balance sheet and charge index as per ROC records. For which the company has responded stating that SBICAP trustee company being the security agent for the consortium banks, has registered the charge separately in addition to the charges already registered by the company and requested all the banks for release of dual charge.

vii) Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.



viii) The company has availed cash credit facility from banks on the basis of security of current assets. The monthly returns/statements of Current Assets filed by the company with banks are in agreement with the books of accounts except for the following:

| Particulars | Month | As per monthly returns | As per books of accounts | Difference | Reason for difference |
|-------------|--------|------------------------|--------------------------|------------|---|
| Stock | Apr-21 | 104.42 | 96.12 | 8.30 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS effect the same has been capitalized in the books of accounts. Hence the differences. |
| Debtors | | 666.30 | 607.37 | 58.93 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 242.54 | 264.60 | -22.06 | On account of provision for supplies to be made. |
| Stock | May-21 | 104.13 | 96.05 | 8.08 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 739.91 | 706.07 | 33.84 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 250.62 | 259.44 | -8.82 | On account of provision for supplies to be made. |
| Stock | Jun-21 | 162.66 | 154.95 | 7.71 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 823.49 | 791.25 | 32.24 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 294.29 | 254.20 | 40.09 | On account of provision for supplies to be made. |
| Stock | Jul-21 | 136.87 | 129.27 | 7.60 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 847.74 | 881.32 | -33.58 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 287.46 | 247.34 | 40.12 | On account of provision for supplies to be made. |
| Stock | Aug-21 | 66.16 | 56.58 | 9.58 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 917.12 | 917.12 | 0.00 | |
| Creditors | | 279.08 | 250.07 | 29.01 | On account of provision for supplies to be made. |
| Stock | Sep-21 | 62.84 | 54.12 | 8.72 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 971.74 | 971.74 | 0.00 | |
| Creditors | | 249.83 | 209.70 | 40.13 | On account of provision for supplies to be made. |
| Stock | Oct-21 | 99.44 | 89.96 | 9.48 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 601.09 | 601.19 | -0.10 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 221.98 | 212.09 | 9.89 | On account of provision for supplies to be made. |



| | | | | | |
|-----------|--------|--------|--------|--------|---|
| Stock | Nov-21 | 83.75 | 74.89 | 8.86 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 662.44 | 662.53 | -0.09 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 188.23 | 203.48 | -15.25 | On account of provision for supplies to be made. |
| Stock | Dec-21 | 59.93 | 61.31 | 8.62 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 759.72 | 759.80 | -0.08 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 198.59 | 198.67 | -0.08 | On account of provision for supplies to be made. |
| Stock | Jan-22 | 64.27 | 55.63 | 8.64 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 818.06 | 818.14 | -0.08 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 187.65 | 187.79 | -0.14 | On account of provision for supplies to be made. |
| Stock | Feb-22 | 59.74 | 51.11 | 8.63 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 784.36 | 784.45 | -0.09 | Due to provision entries passed with respect to change in law claims and late payment surcharges |
| Creditors | | 188.89 | 188.98 | -0.09 | On account of provision for supplies to be made. |
| Stock | Mar-22 | 64.76 | 56.59 | 8.17 | Value of spares submitted to bank as per Stores ledger where as due to Ind AS entries, differences in books noted |
| Debtors | | 632.97 | 632.97 | 0.00 | |
| Creditors | | 193.81 | 193.83 | -0.02 | On account of provision for supplies to be made. |

- (ix) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- x) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- xi) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- xii) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act, 2013
- xiii)

Details of Transactions with Struck off Companies under section 248 of the Companies Act, 2013 or 560 of the Companies Act, 1956

| Name of the Struck off company | Nature of Transaction | Transaction during the year | Balance Outstanding (Rs) |
|--------------------------------|-----------------------|-----------------------------|--------------------------|
| Sri Abirani Power Bricks P Ltd | Other Payables | Nil | 7,789 |



- xiv) During the year, the Company has not traded or invested in Crypto currency or Virtual Currency
- xv) The company does not hold any investment as defined under section 2(87) of the companies Act, 2013
- xvi) Trade Payables aging schedule

FY 2021-22

| Particulars | Outstanding for following periods from due date of transaction | | | | |
|-----------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 1.77 | 0.77 | 0.00 | 0.13 | 2.66 |
| (ii) Others | 150.46 | 9.08 | 4.45 | 164.44 | 328.43 |
| (iii) Disputed dues — MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

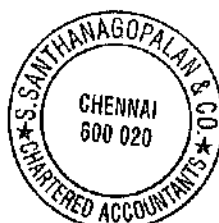
FY 2020-21

| Particulars | Outstanding for following periods from due date of transaction | | | | |
|-----------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 9.20 | 0.00 | - | 0.83 | 10.03 |
| (ii) Others | 124.37 | 3.12 | 73.30 | 95.45 | 296.24 |
| (iii) Disputed dues — MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

xvii) CSR Expenses

| Particulars | Year ended 31st March 2022 | Year ended 31st March 2021 |
|---|---|---|
| Gross amount required to be spent by the Company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII (including unspent amount of previous year) | - | 0.09 |
| Amount of expenditure incurred | | |
| - Construction / acquisition of any asset | - | - |
| - Ongoing projects | - | - |
| - On purposes other than (i) & (ii) above | 0.36 | 0.50 |
| Total amount of expenditure incurred | 0.36 | 0.50 |
| Total of previous years shortfall | - | 0.09 |
| Reason for shortfall | Not applicable | Not applicable |
| Nature of CSR activities | Education, Environmental sustainability, Eradicating hunger, poverty, malnutrition and preventive health care, and COVID-19 | Education, Environmental sustainability, Eradicating hunger, poverty, malnutrition and preventive health care, and COVID-19 |
| Details of related party transactions where CSR is entrusted to a related party | Not applicable | Not applicable |
| Opening balance of earmarked bank account relating to CSR activities | - | - |
| Addition for the year | - | - |
| Utilisation from the balance for the year | - | - |
| Closing balance of earmarked bank account relating to CSR activities | - | - |
| Opening balance of provision relating to CSR activities | (0.41) | 0.09 |
| Addition | - | - |
| Utilisation | (0.36) | (0.50) |
| Closing balance of provision relating to CSR activities | (0.77) | (0.41) |

- xviii) During the year, Assessment orders u/s 143(3) r.w.s. 153A under Income Tax Act, 1961 were passed on 30th September 2021 for the AY 2011-12 to 2017-18 with adjustments for Depreciation disallowance and additional income offered before settlement commission towards disallowance of Misc. Expenses to an aggregated amount of Rs. 7.93 Crores. The company is of the view that no adjustment required in the books of accounts with respect to additions made in the said orders as the additions were not in the nature of "transaction that not been recorded in the books of accounts which requires adjustments in the Financial Statements".



Notes to financial statements for the year ended March 31, 2022

Note: 34 Analytical Ratios

| Particulars | Items included in the Numerator / Denominator | Ratio | | Variation (%) | Reason for Variance more than 25% |
|--------------------------------------|---|------------|------------|---------------|--|
| | | FY 2021-22 | FY 2020-21 | | |
| (a) Current ratio | Current Assets/ Current Liabilities | 0.14 | 0.21 | -32.79% | Reduction in Current Assets and no corresponding reduction in Current Liabilities as the funds used to settle Long Term Liability. |
| (b) Debt-Equity ratio | Total Outside Debt/Equity Share Holder's Funds | (9.76) | (12.80) | -23.61% | |
| (c) Debt-Service Coverage ratio | Earnings Available for Debt services/ Interest + Installments | (0.01) | 0.13 | -111.48% | Company has become NPA and also currently under CIRP, hence Debt Servicing and Interest payment Not Applicable |
| (d) Return on Equity ratio | Net Profit After Taxes / Equity Shareholder's Funds | 12.12% | -120.31% | -110.08% | Negative Networth hence Not Applicable |
| (e) Inventory turnover ratio | Cost of Goods Sold / Average Inventory | 0.00 | 0.00 | -21.83% | |
| (f) Trade Receivables turnover ratio | Net Sales/ Average Receivables | 1.12 | 2.08 | -46.05% | Reduction in Trade receivables on account collections and disputed bills |
| (g) Trade payables turnover ratio | Net Purchases / Average Payables | 1.82 | 2.36 | -22.82% | |
| (h) Net capital turnover ratio | Revenue from Operations / Average Working Capital | (0.19) | (0.40) | -51.83% | Not Applicable as the working capital being negative |
| (i) Net profit ratio | Net Profit After Taxes / Revenue from Operations | -6.53% | 27.52% | -123.72% | During the year company incurred loss on account of increase in cost of sales. Previous year profit include Change In Law claim which is an extra ordinary item, hence the variation |
| (j) Return on Capital employed | Earnings before Interest & Taxes/ Capital Employed | -4.88% | 28.92% | -116.86% | Negative Networth hence Not Applicable |
| (k) Return on investment | Net Profit After Taxes / Capital Employed | -3.67% | 21.84% | -116.82% | Negative Networth hence Not Applicable |



Coastal Energen Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 1: Company information and Significant accounting policies applicable

1. Background

Coastal Energen Private Limited (or "the Company") was incorporated on May 29, 2006. The Company has been set up to carry on the business of power projects, generation and distribution of power. The Company has set up a 1200 Mega Watt (MW) thermal based power plant at Tuticorin district, Tamil Nadu. The company has commenced its commercial operation from 23 December 2014 in Unit I (600 Mega Watt) and from 15th January 2016 in Unit II (600 Mega Watt).

2. Basis of Preparation

These Financial Statements have been prepared on accrual basis of accounting in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rule, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Disclosures under IND AS are made only in respect of material items and in respect of the items that will be useful to the users of Financial Statements in making economic decisions.

3. Basis of Measurement

The Financial Statements have been prepared in Going concern basis and on an accrual method of accounting. Historical cost is used in preparation of Financial Statements except for the following items which are measured at Fair value:

- i) Certain Financial assets and liabilities
- ii) Net Defined benefit (Asset)/ Liability

4. Functional and Presentation currency

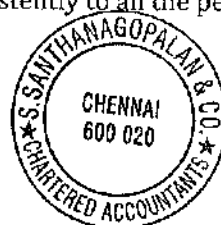
The Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Crores, except as stated otherwise.

5. Use of estimates and management judgement

The preparation of Financial Statements in conformity with the accounting policies requires the management to make estimates and assumption considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialize.

6. Significant accounting policies

A Summary of significant accounting policies applied in the preparation of Financial Statements is given below. These accounting policies have been applied consistently to all the periods presented in the Financial Statements.



a. Revenue Recognition

Revenue from sale of energy is recognised on accrual basis in accordance with the provisions of power purchase agreement (PPA)/ sale arrangement.

Revenue from sale of coal and fly ash is recognised when significant risk and reward of ownership is transferred to the buyer as per the terms of contract.

Revenue is recognised on satisfaction of the performance obligation to the customers in line with Ind AS 115.

Interest income on fixed deposits is recognised on time proportionate basis.

b. Property, Plant and Equipment

i. Initial and Subsequent Recognition:

All items of Property, Plant and equipment (PPE) are measured at Historical cost, which includes capitalised borrowing cost less accumulated depreciation and impairment loss, if any.

Items of spare parts, standby equipment and servicing equipment which meet the definition of property, plant and equipment are capitalised. Other spare part are carried as inventory and recognised in the Statement of Profit and Loss on consumption.

Where the cost of depreciable assets has undergone a change during the year due to increase/ decrease in long term liabilities on account of exchange fluctuation price adjustment, change in duties or similar factors, and the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

Spare parts are recognised when they meet the definition of Property, Plant and Equipment, otherwise, such items are classified as inventory.

On transition to IND AS, the company has elected to adopt the cost model i.e., cost less accumulated depreciation for all of its Property, Plant and Equipment as at 1st April, 2015.

The Property, Plant and equipment of the Company are physically verified in a phased manner to cover all the items of PPE over a period of three years, which in the Management's opinion, is reasonable having regard to the size of the Company and the nature of its assets.

ii. Depreciation

Depreciation is recognised in Statement of Profit and Loss on a straight - line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on additions to/ deductions from property, plant and equipment during the year is charged on pro - rata basis from/ up to the month in which the asset is available for use/ disposed.



iii. Goodwill and Other Intangible Assets:

On transition to IND AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1st April, 2015, measured at previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Software which is not an integral part of related hardware, is treated as intangible asset and amortised over a period of five years or its license period, whichever is less.

On Transition to IND AS the company has elected to continue with the carrying value of all intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP and use the carrying value as deemed cost.

iv. Capital work – in – progress:

The cost of self – constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis of the cost of related assets.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

c. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of coal is determined First in First out basis. Cost of fuel is determined on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

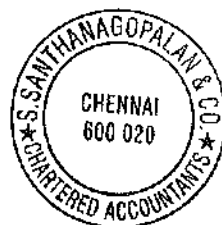
The diminution in the value of obsolete, unserviceable, and surplus stores and spares is ascertained on review and provided for.

d. Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in IND AS 7 "Cash Flow Statement".

e. Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities, and equity for the earliest period presented, are restated.



f. Income Tax

Income tax expense comprises Current and Deferred tax. Current Tax expense is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognised in OCI or Equity.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences.

Deferred tax assets are recognized for all temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

Deferred Tax expense is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognised in OCI or Equity.

g. Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

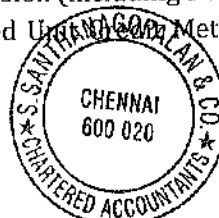
Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases, with lease period less than one year are recognized in the Statement of Profit and Loss.

h. Employee Benefits

Employee benefits consist of Provident Fund, Superannuation Fund, Gratuity Scheme, Pension (including Director Pension), Post - Retirement Medical Benefits, Retirement Gift, Compensated Absences, and Hospitalization in Service and Long-term Service Awards.

Defined contribution plans: The Company's contributions paid/payable during the year to Provident Fund and Superannuation Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. Contribution towards provident funds is charged to the Statement of Profit and Loss of the period when the contributions are due.

Defined benefit plans: Defined benefit plans in the form of Gratuity, Ex-Gratia Death Benefits, Retirement Gifts, Post - Retirement Medical Benefits and Pension (including Director pension), the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial



valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in Other Comprehensive Income (OCI) in the period in which they occur. Past service cost is recognized immediately in Statement of Profit and Loss to the extent that the benefits are already vested and otherwise is amortized on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

i. Government Grants

Government Grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

j. Foreign currency translation

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that are closely approximate to the rate at the date of the transaction. Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss except in cases of exchange differences on account of depreciable asset, are adjusted in cost of depreciable asset and would be depreciated over the balance life of asset.

k. Borrowing Cost

Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Borrowing costs include interest, amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

l. Impairment of Non – Financial Assets

The carrying amount of Company's Non – financial Assets are reviewed at each reported date to determine whether there is an indication of impairment 'considering the provisions of IND AS 36 "Intangible Assets".

Impairment loss is recognised if the carrying amount of the assets or its Cash Generating Units (CGU) exceeds its estimated recoverable amount. Impairment losses are recognised in Profit and Loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Non-Financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

m. Earnings per share

Basic earnings per share are computed by dividing the net profit/loss after tax attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit/loss after tax attributable to the equity shareholders of the company as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

n. Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the Financial Statements and are disclosed in the Notes. A Contingent asset is neither recognized nor disclosed in the Financial Statements.

o. Business Combination

As part of the transition to IND AS, the company has decided to apply the IND AS 103, *Business combinations*, to only those business combinations that occurred on or after 1st April, 2015.

In respect of Business combinations, prior to 1st April, 2015, goodwill represents the amount recognised under the company's previous accounting framework under Indian GAAP and the same is tested annually for impairment.

p. Financial Instruments

All Financial Assets and Liabilities are recognised and measured initially at fair value adjusted by transaction cost, except for those carried at fair value through Profit or Loss which are measured initially at fair value. For the purpose of subsequent measurement, Financial Assets are classified into following categories upon initial recognition:

- Amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through Other Comprehensive Income (FVOCI)



➤ Financial asset

Amortised Cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

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

The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designed at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair value with gains or losses recognised in profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non – trading equity instruments that are designated to this category. FVOCI financial assets are measured at fair value. Gains and losses are recognised in Other Comprehensive Income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognised in statement of profit and loss.

Impairment of Financial assets

In accordance with Ind AS 109, company applies Expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets wherever applicable.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive.

Trade receivables

The company follows simplified approach as given in Ind AS 109 and in accordance with the following accounting policy adopted with respect to the public sector, government agencies and private parties;

| | | |
|--|---|----------------|
| Public Sector Unit/ Government agencies | Outstanding more than 7 years | 100% provision |
| Public Sector Unit/ Government agencies | Outstanding more than 5 years but less than 7 years | 50% provision |
| Private sector enterprises | Outstanding more than 3 years | 100% provision |



➤ **Financial Liabilities**

Initial recognition and measurement

All financial liabilities are initially recognised at Book value and in the case of loans and borrowings and payables, net of attributable transaction costs (example: Upfront processing fees).

The company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts and financial guarantee contracts.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss. All derivative financial instruments are accounted for at FVTPL.

q. Exemptions availed

In preparing the IND AS financials, the company has availed certain exemptions and exceptions in accordance with IND AS 101.

➤ **Deemed cost**

IND AS 101 provides an option to the first time adopt or of IND AS to either use cost model or revaluation model in case of recognition of Property, Plant and Equipment in accordance with IND AS 16 as well as Intangible assets as per IND AS 38. The company has availed the exemption available and has elected to use the previous GAAP carrying value as Deemed cost.

➤ **Business Combination**

IND AS 101 provides an exemption for all transactions qualifying as Business combinations occurred before 1st April, 2015 not to be restated under IND AS 103. Accordingly, the company has availed this exemption and has continued to recognise the Goodwill created under Business combination at carrying value as on 01st April, 2015.

r. IND AS Mandatory exceptions

The Company has applied following exceptions from full perspective application of IND AS Mandatorily require under IND AS 101;

i) Estimates

The Company's estimates in accordance with IND AS at the date of transition shall be consistent with estimates under Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

ii) Classification and Measurement of Financial Assets

As given under IND AS 101, the company has availed the exception to assess the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to IND AS.



Coastal Energen Private Limited

Notes forming part of financial statements for the year ended 31st March, 2022.

[All amounts are in Indian Rupees (Crores) except for share data / Land details or as stated]

35. Other Notes to the financial statements

a)

- i. On an application by a financial creditor of the Company, Hon'ble National Company Law Tribunal (NCLT) has passed an order dated 04th February 2022 for the commencement of Corporate Insolvency Resolution Process (CIRP), under Insolvency and Bankruptcy Code (IBC), 2016. An Interim Resolution Professional was appointed on 04th February 2022 and that 'Committee of Creditors' (CoC) was constituted on 27th February 2022 and the First Meeting of the 'Committee of Creditors' was held on 04th March 2022.
- ii. During the CIRP period, claims aggregating to Rs. 11604.02 Crores were received from Financial Creditors and Rs. 539.55 Crores were received from Operational creditors totalling in all to Rs. 12143.57 Crores (including USD 3.08 Crores converted @ \$ 1=INR 74.7056).
- iii. The CIRP Process is to be completed within 180 days from the date of admission, however, one of the shareholders of the company has filed an appeal before the National Company Law Appellate Tribunal (NCLAT) and the NCLAT passed an "order of stay" of further proceedings of the "Committee of creditors" till next date of hearing which is to be held on 14th September 2022. Necessary accounting entries will be passed in the books of accounts once the matter is finalised. The impact of the same would likely to be material, however, the same cannot be quantified at this juncture as the matter has not reached the finality.
- iv. On the initiation of CIRP, the board of directors of the company stand suspended and the affairs of the company is being managed by the Interim Resolution Professional. Presently, the company is operating one unit and financial statements of the company has been prepared considering the entity as a going concern. The CIRP Process is to be completed within a period of 180 days failing which the liquidation proceedings will commence. As the order of stay pronounced by NCLAT is in force currently as mentioned above, the validity of going concern at the respective stage will be reassessed and any impact arising out of the same will be given effect based on the outcome of the CIRP proceedings.

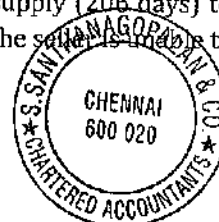
b) Capital commitments

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|--|------------------------|------------------------|
| Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for | 42.00 | 42.00 |

c) Contingent liabilities (not provided for):

i. Liquidated Damages:

As per the Long-Term Power Purchase Agreement (PPA) entered with TANGEDCO on 19-12-2013, the company shall be responsible to commence supply of power by the scheduled delivery date i.e. 01.06.2014. However, the Company has commenced the supply only on 24.12.2014. TANGEDCO has issued a letter claiming Liquidated Damages (LD) on 20-02-2016 for the delayed supply (206 days) to the Company and sought its response. As per the Power Purchase Agreement (PPA), if the supplier is unable to commence supply



of power to the procurer by the scheduled delivery date, the seller shall pay to the procurer liquidated damages. However, the Company had explained through its communication that during the period of non-completion, it had offered alternate supply to TANGEDCO for supply of power but TANGEDCO has not responded to these mails. Further the Company had explained through its various communications justifying the delay. TANGEDCO held Rs.167.40 Crores against receivables on account of PBG. The company has received 50% of the amount withheld (i.e. 83.70 Crores) during F.Y.20-21 and is confident of getting the balance also which is evident that the claim for Liquidated damages will be dropped.

ii. Relinquishment of Long-Term Open Access (LTOA)

The Company had obtained permission for the 1100 MW LTOA capacity from Power Grid Corporation of India Ltd (PGCIL) expecting transmission of full power in case of requirement. However, the company does not have long term Power Purchase Agreement for unit 2 and hence opted for relinquishment of 542 MW LTA to avoid paying monthly transmission charges. However, PGCIL has demanded charges for relinquishment. Against this demand various generators including the Company had filed a petition with Central Electricity Regulatory Commission (CERC) for direction.

CERC has passed an interim order for quantifying the amount payable by generators for relinquishment and accordingly PGCIL has determined the amount as Rs. 55.63 Cr and published in its website. Company has filed an application objecting to this amount before APTEL. In the absence of any formal written communication from PGCIL demanding these amounts, the company has not provided for the same in its books of accounts.

iii. Bank Guarantees and Letter of Credit issued by the company:

The company has issued the following Bank Guarantees which are partially backed by Margin as mentioned below:

| BG/ LC | Beneficiary | Amount in Crores |
|--------|-------------|------------------|
| BG | PGCIL | 55.00 |

iv. Claims against the Company not acknowledged as debts:

| Nature of Dues | Amount (Rs. Crores) | Assessment Year | Period to which the amount relates | Forum where dispute is pending |
|----------------|---------------------|-----------------|------------------------------------|--------------------------------|
| Income Tax | 1.22 | 2010-11 | 2009-10 | High Court |
| Income Tax | 0.02 | 2012-13 | 2011-12 | CIT Appeals |
| Income Tax | 0.04 | 2013-14 | 2012-13 | CIT Appeals |
| Income Tax | 0.13 | 2014-15 | 2013-14 | CIT Appeals |
| Income Tax | 2.01 | 2015-16 | 2014-15 | CIT Appeals |
| Income Tax | 0.14 | 2016-17 | 2015-16 | CIT Appeals |
| Income Tax | 0.32 | 2010-11 | 2009-10 | Assessing officer |
| Income Tax | 0.04 | 2012-13 | 2011-12 | Assessing officer |
| Income Tax | 0.08 | 2013-14 | 2012-13 | Assessing officer |
| Income Tax | 2.01 | 2015-16 | 2014-15 | Assessing officer |
| Income Tax | 0.14 | 2016-17 | 2015-16 | Assessing officer |

Customs:

Penalty and Redemption fine Rs.10.96 crores demanded on a/c of differential Duty on Barge & Demurrage charges for the period from 2014-2016 – Appeal pending before CESTAT.



d) Related party disclosures

i) Name of Related Parties

Names of Related Parties with the Nature of Relationship, with whom Transactions have taken place:

| | |
|---|---|
| A) Investing Parties having significant influence on the Company directly or indirectly | Precious Energy Holdings Limited, BVI Mutlara Energy Holdings Limited, Mauritius |
| B) Key Managerial Personnel | Mr. Ahmed Buhari – Director Mr. Amulya Charan – Director – till 05/03/2022 Mrs. Ratnaprabha – Company Secretary Mr. MK Parameswaran – Additional Director Mr. R Krishnamoorthy – Director – till 05/03/2022 Mr. Rajeev Krishnan – Director -till 29/04/2022 Mr. NK Balaji – Senior Vice President – F&A |
| C) Relatives of Key Managerial Personnel | Mr. Arif B. Rahman Mr. Abdul Qadir Mr. Ashraf A.R. Buhari Mrs. Qurrath Jameela Mrs. Mariam Habeeb |
| D) Other Related Parties with whom transactions have taken place during the year: | |
| i) Entities controlled / jointly controlled by the Key Managerial Personnel | Coastal Energy Private Limited Coal and Oil DMCC East India Energy Co Pte. Limited |
| ii) Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Buhari Holdings Private Limited Buhari Facility Management Private Limited Buhari Estate & Company Coastal Gujarat Powergen Private Limited Omega cables Limited Maricar Estate Private Limited |



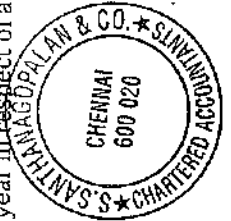
Details of Transactions entered into with the related parties as and the Closing balance as on 31st March, 2022:

| Particulars | For the period ended 31 st March 2022 | | | For the period ended 31 st March 2021 | | | | |
|-----------------------------|--|---|---|--|--------------------------------------|---|---|--------------------------|
| | Relative of Key Managerial Personnel | Entities jointly controlled by the key managerial personnel | Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Key Managerial Personnel | Relative of Key Managerial Personnel | Entities jointly controlled by the key managerial personnel | Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Key Managerial Personnel |
| Expenses: | | | | | | | | |
| Rent & Amenities | | | 0.94 | | | | 0.93 | |
| Managerial Remuneration | | | | 0.97 | | | | 0.92 |
| Consultancy Charges | | | | 0.63 | | | | 0.13 |
| Others: | | | | | | | | |
| Advance Received | | 1.05 | | | | | | |
| Advance Repayment/reversals | 70.00 | | 80.00 | | | (0.25) | | |



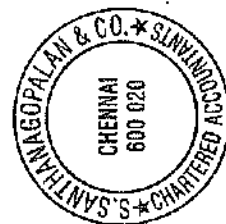
| Particulars | For the period ended 31 st March 2022 | | | | For the period ended 31 st March 2021 | | | |
|--|--|--|---|--------------------------|--|---|---|--------------------------|
| | Relative of Key Managerial Personnel | Entities controlled / jointly controlled by the key managerial personnel | Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Key Managerial Personnel | Relative of Key Managerial Personnel | Entities jointly controlled by the key managerial personnel | Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Key Managerial Personnel |
| Rent & Amenities | | | | | | | | |
| - Buhari Facility Management Private Limited | | | 0.45 | | | | 0.43 | |
| - Buhari Estate & Company | | | 0.49 | | | | 0.47 | |
| Sub-total | | | 0.94 | | | | 0.93 | |
| Managerial Remuneration | | | | | | | | |
| Mr. Abdul Saleem Mohammed | | | | - | | | | 0.58 |
| Mr. Mohammad Abdul Nadeem | | | | - | | | | 0.22 |
| Mrs. Ratnaprabha | | | | 0.28 | | | | 0.12 |
| Mr. N.K.Balaji | | | | 0.69 | | | | - |
| Sub-total | | | | 0.97 | | | | 0.92 |
| Consultancy Charges | | | | | | | | |
| Mr. MK Parameswaran | | | | 0.63 | | | | 0.13 |
| Sub-total | | | | 0.63 | | | | 0.13 |
| Advance Received | | | | | | | | |
| -Buhari Holdings Private Limited | | 1.05 | | | | | | |
| Sub-total | | 1.05 | | | | | | |
| Advance Repayment/Reversal | | | | | | | | |
| -Buhari Holdings Private Limited | | - | | | | 0.25 | | |
| -Abdul Qadir | 70.00 | | | | | | | |
| -Omega Cables Limited | | | 50.00 | | | | | |
| -Maricar Estate Private Limited | | | 30.00 | | | | | |
| Sub-total | 70.00 | - | 80.00 | | | 0.25 | | |

NOTE: No Amount has been written off during the year in respect of amounts due to or from related parties.



| Particulars | As at 31 st March 2022 | | | As at 31 st March 2021 | | |
|--|--------------------------------------|--|---|-----------------------------------|--------------------------------------|--|
| | Relative of Key Managerial Personnel | Entities controlled / jointly controlled by the key managerial personnel | Entities in which Key Managerial Personnel and their relatives are able to exercise significant influence | Key Managerial Personnel | Relative of Key Managerial Personnel | Entities controlled / jointly controlled by the key managerial personnel |
| Closing Balances: | | | | | | |
| -Coastal Energy Private Limited | | 125.48 (Cr) | | | | 125.48 (Cr) |
| - Coal and Oil DMCC | | 85.31 (Cr.) | | | | 82.27 (Cr.) |
| - East India Energy Co Pte Limited | | 0.80 (Cr.) | | | | 0.77 (Cr.) |
| -Buhari Holdings Private Limited | | 1.76 (Cr.) | | | | 0.72 (Cr.) |
| - Buhari Facility Management Private Limited | | | 0.96 (Cr.) | | | 0.51 (Cr.) |
| - Abdul Qadir | - | | | | 70.00 (Cr) | |
| - Omega Cables Limited | - | | | | 50.00 (Cr) | |
| - Maricar Estate Private Limited | - | | | | 30.00 (Cr) | |
| - Buhari Estate & Company | | | 1.38 (Cr.) | | | 0.89 (Cr.) |
| - Coastal Gujarat Powergen Private Limited | | | 0.28 (Dr.) | | | 0.28 (Dr.) |

NOTE: No Amount has been written off during the year in respect of amounts due to or from related parties.



e) Employee benefits:

Gratuity Plan (defined benefit plan):

The Employees Gratuity fund schemes are managed by a SBI General Insurance Company limited. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' service. Necessary provisions have been created in the books to meet the liability as per Ind AS 19 - Employee Benefits and subsequently contributed to the fund. Following table presents the disclosure requirements in respect of employee benefit pursuant to Ind AS 19 - Employee Benefits:

Reconciliation of balances of the present value of the defined benefit obligation

| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|---|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Obligation at period beginning -- Current | 0.21 | 0.22 | 0.21 | 0.30 |
| Obligation at period beginning -- non-Current | 1.54 | 0.91 | 1.78 | 0.92 |
| Service cost | 0.17 | 0.21 | 0.20 | 0.23 |
| Interest on defined benefit obligation | 0.07 | 0.06 | 0.10 | 0.07 |
| Benefits settled | -1.05 | -0.36 | -0.32 | - |
| Actuarial (gain) / Loss | 0.29 | (0.002) | -0.23 | (0.39) |
| Obligations at the end of the year | 1.23 | 1.04 | 1.74 | 1.13 |
| Current Liability (within 12 months) | 0.15 | 0.23 | 0.20 | 0.22 |
| Non - Current Liability | 1.07 | 0.81 | 1.54 | 0.91 |

Change in the plan assets

| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|--|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Plans assets at period beginning at fair value | 1.44 | - | 1.66 | - |
| Expected return on plan assets | 0.05 | - | 0.08 | - |
| Actuarial gain / (loss) | 0.01 | - | 0.02 | - |
| Contributions | 0.00 | - | 0.00 | - |
| Benefits settled | -1.05 | - | -0.32 | - |



Amount Recognized in Balance Sheet

| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|--|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Closing Projected benefit obligation | 1.22 | 1.04 | 1.74 | 1.13 |
| Closing fair value of plan assets | 0.45 | - | 1.44 | - |
| Closing funded status | -0.77 | -1.04 | -0.30 | -1.13 |
| Net assets / (Liability) recognized in the Balance sheet | -0.77 | -1.04 | -0.30 | -1.13 |

Expenses recognized in statement of profit and loss account

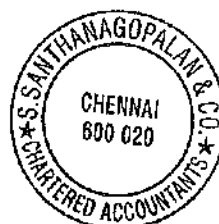
| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|--------------------------------|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Service cost | 0.17 | 0.21 | 0.20 | 0.23 |
| Interest cost | 0.07 | 0.06 | 0.10 | 0.07 |
| Expected return of plan assets | -0.05 | - | -0.08 | - |
| Actuarial (gain) / Loss | 0.29 | -0.002 | -0.25 | -0.39 |
| Net Gratuity / Leave cost | 0.47 | 0.27 | -0.03 | -0.09 |

Re-Measurement Effect recognized in Other Comprehensive Income (OCI)

| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|--|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Experience adjustment on Plan liabilities (gain)/ loss | 0.37 | -0.02 | -0.28 | -0.39 |
| Experience adjustment on Plan assets (gain)/ loss | -0.01 | - | -0.02 | - |

Summary of actuarial assumptions

| Particulars | For the year ended 31 st March 2022 | | For the year ended 31 st March 2021 | |
|------------------------|--|--------------|--|--------------|
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Interest rate | 5.71% | - | 5.71% | - |
| Discount rate | 6.65% | 6.65% | 5.71% | 5.71% |
| Salary Escalation rate | 7% | 7% | 7% | 7% |
| Attrition Rate | 25% | 25% | 25% | 25% |



Sensitivity Analysis:

| Particulars | % Increase in DBO | | | |
|-----------------------------------|-------------------|--------------|------------------|--------------|
| | 31st March, 2022 | | 31st March, 2021 | |
| | Gratuity | Leave Salary | Gratuity | Leave Salary |
| Discount Rate + 100 basis points | -6.17% | -6.39% | -6.52% | -8.82% |
| Discount Rate - 100 basis points | 7.00% | 7.38% | 7.43% | 10.65% |
| Salary Growth + 100 basis points | 5.14% | 6.64% | 4.96% | 9.85% |
| Salary Growth - 100 basis points | -4.76% | -5.83% | -4.93% | -8.30% |
| Attrition Rate + 100 basis points | -0.38% | -0.51% | -0.64% | -1.82% |
| Attrition Rate - 100 basis points | 0.40% | 0.44% | 0.71% | 1.54% |
| Mortality Rate 10% Up | -0.01% | -0.03% | -0.03% | -0.10% |

The above Sensitivity Analyses are based on the change in an assumption (base rate) while holding all other assumptions constant. Present value of Defined Benefit Obligation has been calculated using the Projected Unit Credit Method (PUCM). The methods and types of assumptions used in preparing sensitivity analysis did not changed compared to the prior period.

f) Search and Seizure:

There was a search and seizure operation by Income-tax Authorities on 4th January, 2017 at various business premises of the Company and the residences of directors and employees. The company has approached settlement Commission on various dates by filing application and the Hon'ble ITSC has rejected the same and accordingly the pending assessment proceedings u/s 153A have been revived and the assessment proceedings have been carried out.

In this connection, assessment orders were passed on 30th September 2021 with adjustments for Depreciation disallowance and additional income offered before settlement commission towards disallowance of Misc. Expenses to an aggregated amount of Rs. 7.93 Crores.

The company has filed rectification petition before the assessing officer for the mistakes apparent from the order with respect to AY 2012-13, 2013-14 and 2015-16 to 2017-18 and also preferred an appeal against the assessment orders pertaining to AY 2015-16 to 2017-18 before Commissioner of Income Tax (Appeals). The material adjustments, if any, required in the books of accounts will be made as and when assessments are finalized.

g) Provisional attachment order from Enforcement Directorate:

An order from Enforcement Directorate (ED), Chennai was received on 28th Feb, 2020 provisionally attaching certain assets of the Company to the tune of Rs.557.25 Crores, based on the Show Cause Notice issued by Department of Revenue Intelligence and a case registered by Department of Central Bureau of Investigation (CBI) on another company in the Group, namely M/s Coastal Energy Pvt Ltd towards supply of Coal.

Subsequently a Show Cause notice was received on 13th July, 2020, from the adjudicating authority as to why the provisional order cannot be confirmed. The management has submitted a written response before the adjudicating authority to represent their side of the matter and to have the provisional order set aside. In the meantime, based on Delhi High Court decision in the case of Vikas



the company had also filed a writ petition in Delhi High Court and obtained a stay order which is still in force. Accordingly, the matter is posted for hearing on 17th November 2022.

Further, an additional amount of Rs. 7.23 Crores is provisionally attached by ED vide their order dt. 12th April 2022 and the company is taking necessary legal steps to defend the case through Interim Resolution Professional and is expected to have no financial implications on the company.

h) COVID Impact

COVID -19 virus continues to spread across the globe and in India, which has resulted in series of lockdown impositions by the Government during first pandemic in 2020 and second pandemic in 2021. Due to the outbreak of COVID-19 there is a significant decline and volatility in the Financial Markets and decline in global economic activities. However, the company's operations during the period remained unaffected. The extent of impact of the pandemic on the Company's Financials will depend on future developments and subsequent impact if any will be reflected in next financial year.

i) One Time Settlement:

Post, SDR was invoked by lenders on 16th May 2017 and as per the scheme, banks have acquired majority stake by converting the debt of Rs. 107.56 Crores (51%) into equity on 23rd June, 2017.

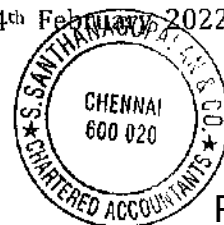
As part of restructuring, consortium banks undertook the process of identifying investors for sale of 51% stake in the company. After due process the banks considered the OTS proposal submitted by OTS consortium in May 2019 with Rs.3000 Cr as OTS settlement with 15% Equity for banks. Further to this, banks had advised to remit Rs.150 Crores, as initial payment (being 5% of the OTS amount) before 15th June 2019, and the same have been fulfilled by the OTS Consortium by depositing the same in the "no lien account" bearing no. 30319576399 maintained with State Bank of India Anna Salai Branch, Chennai (IFSC: SBIN0000878).

SBI while approving the above OTS proposal requested to increase the offer and accordingly on 1st Oct 2019 OTS consortium submitted the revised offer of Rs.3100 Cr with 15% Equity for banks, which was agreed by the consortium of banks and an In principle LOI was issued by the lead bank on 14th Feb 2020 which was duly accepted by the OTS consortium on 6th Mar 2020. Approval was obtained from 93% of the lenders except HUDCO and TMB.

Due to Covid Pandemic, the company could not bring in investors but however showed its commitment towards settlement of OTS by following up with TANGEDO for collections and partly remitting the same to lenders retaining the balance amount for operations.

On account of delay in the OTS process, SBI has communicated that the consortium of lenders had rejected the OTS proposal submitted by the company in their meeting held on 17th February 2021. The revised OTS proposal given on 30th April 2021 was also discussed and rejected in the consortium meeting held on 2nd July 2021 and the lenders had decided to pursue resolution in NCLT which is a time bound process and further delay will lead to erosion in the value of asset.

Also, SBI has reinitiated the IBC petition before NCLT on the grounds that the consortium was of the unanimous view that the resolution should be pursued in NCLT. Based on the same the Hon'ble National Company Law Tribunal (NCLT) has passed an order dated 04th February 2022 for the



commencement of Corporate Insolvency Resolution Process (CIRP), under Insolvency and Bankruptcy Code (IBC), 2016.

The Company has filed a petition with NCLAT against the order of NCLT seeking directions to revive of OTS proposal.

j) Repayment of loan and Interest on Term Loan and Cash credit

The Company has defaulted in settlement of interest & Principal on Term loan and cash credit and all the accounts have been classified by the banks as non-Performing assets (NPA) from March 2017 and certain banks continues to charge interest with respect to these accounts irrespective of the NPA status. However, The Company has not provided for any interest in the books of accounts with respect to the said accounts during the FY 2020-21 and FY 2021-22 which aggregates to Rs. 434.23 Crores and Rs. 551.74 Crores respectively.

During the year, the company has decided to set off all the repayment amounts made in FY 2017-18 against the principal outstanding in Term loan and Cash credit Account and from FY 2018-19 onwards towards the principal outstanding in Term loan account as the accounts were classified as NPA by the lenders. Consequently, reclassification and regrouping has been done in the term loan and cash credit accounts to conform with current year's classification and presentation.

k) Details of Principal and Interest Default:

Consolidated:

| Particulars of interest* | | Particulars of Principal | |
|--------------------------|-----------------|--------------------------|-----------------|
| Period in No. of days | Amount | Period in No. of days | Amount |
| (Age wise) | (in Cr Rs) | (Age wise) | (in Cr Rs) |
| >0<=90 | - | >0<=90 | 107.59 |
| >90<=180 | - | >90<=180 | 107.59 |
| >180<=270 | - | >180<=270 | 109.52 |
| >270<=360, | - | >270<=360 | 109.52 |
| >360 | 2,689.30 | >360 | 696.03 |
| | 2,689.30 | | 1,130.24 |

*Interest includes Cash credit default of Rs. 293.81 Crores.



Term Loan – Interest Default

| Sl.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|----------------------------|--------|----------|-----------|-----------|-----------------|-----------------|
| 1 | Andhra Bank | - | - | - | - | 56.39 | 56.39 |
| 2 | Bank of Baroda | - | - | - | - | 29.76 | 29.76 |
| 3 | Bank of India | - | - | - | - | 113.02 | 113.02 |
| 4 | Canara Bank | - | - | - | - | 72.94 | 72.94 |
| 5 | Central Bank of India | - | - | - | - | 173.18 | 173.18 |
| 6 | Corporation Bank | - | - | - | - | 91.30 | 91.30 |
| 7 | HUDCO | - | - | - | - | 326.98 | 326.98 |
| 8 | IFCI Ltd | - | - | - | - | 196.52 | 196.52 |
| 9 | Indian Bank | - | - | - | - | 105.55 | 105.55 |
| 10 | Indian Overseas Bank | - | - | - | - | 169.27 | 169.27 |
| 11 | Jammu & Kashmir Bank | - | - | - | - | 74.83 | 74.83 |
| 12 | Punjab National Bank | - | - | - | - | 166.72 | 166.72 |
| 13 | State Bank of Hyderabad | - | - | - | - | 68.35 | 68.35 |
| 14 | State Bank of India | - | - | - | - | 357.55 | 357.55 |
| 15 | State Bank of Mysore | - | - | - | - | 51.77 | 51.77 |
| 16 | State Bank of Patiala | - | - | - | - | 100.68 | 100.68 |
| 17 | Tamil Nadu Mercantile Bank | - | - | - | - | 70.82 | 70.82 |
| 18 | UCO Bank | - | - | - | - | 169.89 | 169.89 |
| Grand Total | | - | - | - | - | 2,395.49 | 2,395.49 |

CC – Interest Default:

| Sl.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|---------------------------|--------|----------|-----------|-----------|---------------|---------------|
| 1 | Andhra Bank | - | - | - | - | 6.93 | 6.93 |
| 2 | Bank of Baroda | - | - | - | - | 5.75 | 5.75 |
| 3 | Central bank of India | - | - | - | - | 14.95 | 14.95 |
| 4 | Canara Bank | - | - | - | - | 22.79 | 22.79 |
| 5 | Corporation Bank | - | - | - | - | 7.21 | 7.21 |
| 6 | Indian Bank | - | - | - | - | 17.18 | 17.18 |
| 7 | Indian Overseas Bank | - | - | - | - | 25.20 | 25.20 |
| 8 | Jammu & Kashmir | - | - | - | - | 11.11 | 11.11 |
| 9 | Punjab National Bank | - | - | - | - | 24.28 | 24.28 |
| 10 | State bank of India | - | - | - | - | 10.96 | 10.96 |
| 11 | State bank of Hyderabad | - | - | - | - | 108.45 | 108.45 |
| 12 | State bank of Mysore | - | - | - | - | 9.76 | 9.76 |
| 13 | State bank of Patiala | - | - | - | - | 17.43 | 17.43 |
| 14 | Tamilnadu Mercantile bank | - | - | - | - | 11.81 | 11.81 |
| Grand Total | | - | - | - | - | 293.81 | 293.81 |



Term Loan – Principal Default:

| Sl.No. | Name of the bank | >0<=90 | >90<=180 | >180<=270 | >270<=360 | >360 | Total |
|--------------------|----------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| 1 | Andhra Bank | 3.94 | 3.94 | 4.02 | 4.02 | 7.35 | 23.28 |
| 2 | Bank of Baroda | 4.30 | 4.30 | 4.37 | 4.37 | 53.88 | 71.23 |
| 3 | Bank of India | 6.07 | 6.07 | 6.18 | 6.18 | 14.16 | 38.67 |
| 4 | Canara Bank | 3.37 | 3.37 | 3.43 | 3.43 | 18.72 | 32.34 |
| 5 | Central Bank of India | 12.84 | 12.84 | 13.07 | 13.07 | 69.66 | 121.47 |
| 6 | Corporation Bank | 4.10 | 4.10 | 4.18 | 4.18 | 40.70 | 57.26 |
| 7 | HUDCO | 5.35 | 5.35 | 5.51 | 5.51 | 40.83 | 62.55 |
| 8 | IFCI Ltd | 8.35 | 8.35 | 8.41 | 8.41 | 53.79 | 87.29 |
| 9 | Indian Bank | 7.89 | 7.89 | 8.05 | 8.05 | 41.91 | 73.78 |
| 10 | Indian Overseas Bank | 10.69 | 10.69 | 10.87 | 10.87 | 55.22 | 98.35 |
| 11 | Jammu & Kashmir Bank | 3.61 | 3.61 | 3.68 | 3.68 | 19.26 | 33.86 |
| 12 | Punjab National Bank | 14.25 | 14.25 | 14.52 | 14.52 | 59.04 | 116.59 |
| 13 | State Bank of Hyderabad | - | - | - | - | - | - |
| 14 | State Bank of India | - | - | - | - | - | - |
| 15 | State Bank of Mysore | 3.81 | 3.81 | 3.88 | 3.88 | 6.21 | 21.60 |
| 16 | State Bank of Patiala | 7.38 | 7.38 | 7.49 | 7.49 | 120.44 | 150.20 |
| 17 | Tamil Nadu Mercantile Bank | 3.20 | 3.20 | 3.26 | 3.26 | 19.88 | 32.78 |
| 18 | UCO Bank | 8.43 | 8.43 | 8.59 | 8.59 | 74.97 | 108.99 |
| Grand Total | | 107.59 | 107.59 | 109.52 | 109.52 | 696.03 | 1,130.24 |

*Computed based on Note No.35(j)

I) Other Matters Relating to Financial Statements:

- i) Certain debit/ credit balances in respect of Trade payables, Trade receivables, Other Payables and Loans and advances are subject to reconciliation and confirmation. The impact of adjustments, if any, will be reflected in the subsequent financial statements of the Company.
- ii) During the year, as per the guidance of ministry of power TANGEDCO, has agreed to settle the long pending dues over a period of 48 instalments. Based on the same, no provision has been created in respect of old dues from TANGEDCO.
- iii) Balance confirmations along with reconciliation statements as on 31st March, 2022 were not available with respect to Term Loan Accounts. Statements for certain Term Loan Accounts held with HUDCO, IFCI Limited, Indian Bank wherein the outstanding balance as on 31st March, 2022 aggregates to Rs. 1,258.03 Crores were not available and with respect to other Term Loan accounts statements were available till January 2022.
- iv) Balance confirmations along with reconciliation statements as on 31st March, 2022 were not available with respect to Cash Credit Accounts. Bank Statements for Cash credit Account held with Indian Bank wherein the outstanding balance as on 31st March, 2022 is Rs. 62.45 Crores were not available and with respect to other Cash credit accounts statements were available till January 2022.
- v) The company is currently under Corporate Insolvency and Resolution Process. Due to the financial stress which the company is undergoing, payments to Micro Small and Medium Enterprises related to pre-CIRP have not been made within the time limit prescribed under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 and also provision for interest (which is not material) on delayed payments has also not been provided in the books of account.



vi) Previous year figures have been reclassified / regrouped wherever necessary to conform with current year's classification and presentation.

For and on behalf of Coastal Energen Private Limited

For S.Santhanagopalan & Co.
Chartered Accountants
Firm registration no: 003604S

-Sd-



Radhakrishnan Dharmarajan
Interim Resolution Professional
Registration No.: IBBI/IPA-001/IP-P00508/2017-2018/10909



-Sd-

B. Sridhar

Partner

Membership No: 201604

Place: Chennai

Date : 08-09-2022