



***P S Upadhye and Co***  
***Chartered Accountants***

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of Nagapattinam Energy Private Limited

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

**1. Qualified Opinion**

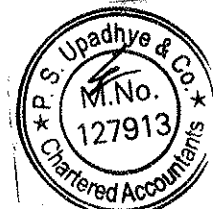
We have audited the financial statements of **Nagapattinam Energy Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2020, and its loss (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

**2. Basis for Qualified Opinion**

The Company is unable to determine the recoverable value of thermal power project and captive port (TPP) at Tamilnadu for the reasons stated in Note No. 4.10 of the financial Statement. Hence, the TPP is measured on March 31, 2020 at the carrying amount of Rs. 45.16 Crores and impairment loss, if any, is not recognised as required by Ind AS 36 "Impairment of the Assets". In view of the aforesaid, we are unable to determine the impact of the same, if any, on the consolidated net loss for the year ended March 31, 2020, carrying value of TPP and Capital work in progress and other equity as on that date.

We conducted our audit in accordance with 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.



**Address - 30, Patil Arcade, Near Sharada Centre, Khilare Path, Erandwane, Pune - 411004**  
**Phone - 020-2543 0449, Mobile - 750 740 0449, email - [psupadhye.ca@gmail.com](mailto:psupadhye.ca@gmail.com)**

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures to Board's Report and Shareholder's Information, 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.

### 4. Management's Responsibility for the Financial Statements

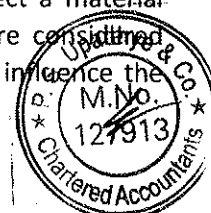
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### 5. 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.



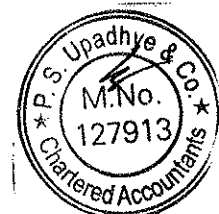
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 disclose, if applicable, 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.

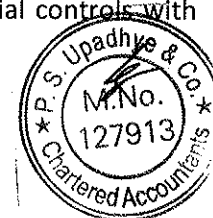
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



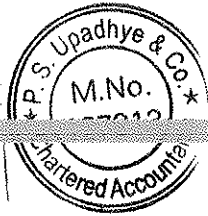
## 6. Report on Other Legal and Regulatory Requirements

- I. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company being private limited company, the said clause is not applicable.
- II. 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 Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- III. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, except for the matter described in the Basis for Qualified Opinion paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law books.
  - (c) The company has no branch offices whose accounts are audited by branch auditors
  - (d) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (e) In our opinion, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act and the rules prescribed there under.
  - (f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (g) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (h) The qualifications relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above
  - (i) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.



- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given tous:
- i. The Company has disclosed the impact,if any,of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeablelosses.
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For P S Upadhye&Co**  
Chartered Accountants  
FRN: 128679W



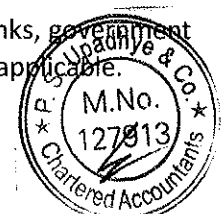
**Padmanabh S Upadhye**  
Proprietor  
M.No.:127913  
UDIN:2012913AAAABU555

Place: Pune  
Date: July 28,2020

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph II under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Nagapattinam Energy Private Limited on the Ind AS financial statements as of and for the year ended 31<sup>st</sup> March, 2020]

- i.
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company does not have inventory. Accordingly, the requirements of paragraph 3(ii) of the Order are not applicable to the Company.
- iii. ~~As informed, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.~~
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and securities made.
- v. The Company has not accepted any deposits. Hence the provisions stated in paragraph 3 (v) of the order are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the order are not applicable to the Company.
- vii.
  - a) According to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues applicable to it.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other material statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;
  - b) According to information and explanation given to us, there are no disputed dues with statutory authorities which have not been deposited on account of disputes.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

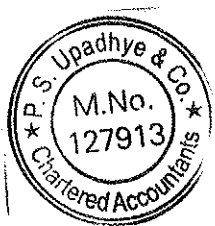


- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid any managerial remuneration to its directors and hence paragraph 3(xi) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

**For P S Upadhye & Co**  
Chartered Accountants  
FRN: 128679W



**Padmanabh S Upadhye**  
Proprietor  
M.No.: 127913  
UDIN:2012913AAAABU555



Place : Pune  
Date : July 28, 2020

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph II (i) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Nagapattinam Energy Private Limited on the Ind AS financial statements for the year ended March 31, 2020))

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

We have audited the internal financial controls with reference to financial statements of Nagapattinam Energy Private Limited ("the Company") as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

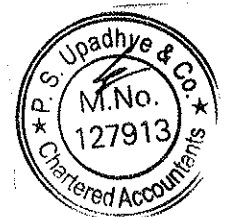
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls With reference to financial statements (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 with reference to financial statements.





## Meaning of Internal Financial Controls With reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls With reference to financial statements

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

### Opinion:

The Company has acquired land to be ultimately used in implementation of port and power project by its holding company. The Company is not having documented formal process of risk assessment and related controls relating to its setup phase and future business processes but all the possible risk are adequately mitigated through effective control by personal supervision of Board of Directors.

In our opinion, Considering the small sized business entity and related operations and achievement of the objectives of the control criteria and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P S Upadhye & Co**

Chartered Accountants

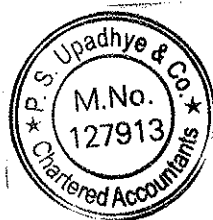
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**Padmanabh S Upadhye**

Proprietor

M.No.: 127913

UDIN:2012913AAAABU555



Place: Pune

Date: July 28, 2020

NAGAPATTINAM ENERGY PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31,2020

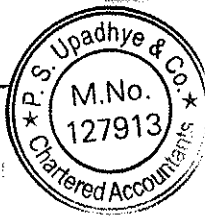
(Amount in Rupees)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, plant and Equipments	1.1	8,49,27,133	8,49,27,894
(b) Capital work-in-progress		36,67,26,083	36,67,26,083
(c) Financial Assets			
Investments	1.2	12,56,74,408	12,55,94,408
(d) Others Assets	1.3	30,000	30,000
		<b>57,73,57,624</b>	<b>57,72,78,385</b>
<b>CURRENT ASSETS</b>			
(a) Financial Assets			
Cash and Cash equivalents	1.4	67,072	94,449
		<b>67,072</b>	<b>94,449</b>
<b>TOTAL</b>		<b>57,74,24,696</b>	<b>57,73,72,834</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUND</b>			
(a) Equity Share Capital	1.5	25,00,000	25,00,000
(b) Other Equity	1.6	57,49,14,696	57,48,62,834
		<b>57,74,14,696</b>	<b>57,73,62,834</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Others	1.7	10,000	10,000
		<b>10,000</b>	<b>10,000</b>
<b>TOTAL</b>		<b>57,74,24,696</b>	<b>57,73,72,834</b>
Significant Accounting Policies	3		
Notes to Accounts	4		

As per our report of even date

For P S Upadhye & Co  
Firm Registration No. 128679W  
Chartered Accountants

Padmanabh S Upadhye  
Proprietor  
Membership No. 127913  
Place : PUNE  
Date : July 28,2020



For and on behalf of the Board of Directors of  
Nagapattinam Energy Private Limited

R. Poornalingam  
Director  
DIN:00955742  
Place : CHENNAI  
Date : July 28,2020

S. RajanBabu  
Director  
DIN: 08629668  
Place : CHENNAI

NAGAPATTINAM ENERGY PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

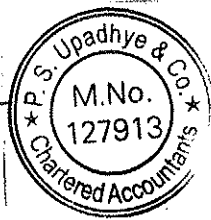
(Amount in Rupees)

Particulars		Note No.	2019-20	2018-19
	<b>INCOME</b>			
I	Revenue from Operation			
II	Other Income		-	-
III	<b>TOTAL INCOME (I+II)</b>		-	-
	<b>EXPENSES</b>			
IV	Depreciation	1.1	761	761
	Other Expenses	1.8	69,377	1,06,611
	<b>TOTAL EXPENSES (IV)</b>		<b>70,138</b>	<b>1,07,372</b>
V	<b>LOSS BEFORE TAX (III - IV)</b>		<b>(70,138)</b>	<b>(1,07,372)</b>
VI	<b>TAX EXPENSES</b>			
	Current year tax		-	-
	Provision for Tax		-	-
VII	<b>LOSS FOR THE YEAR (V - VI)</b>		<b>(70,138)</b>	<b>(1,07,372)</b>
VIII	<b>OTHER COMPREHENSIVE INCOME</b>		-	-
IX	<b>TOTAL COMPREHENSIVE INCOME (VII + VIII)</b>		<b>(70,138)</b>	<b>(1,07,372)</b>
VII	Earning per Equity Share (Face Value of Rs 10/- each)	4.6	(0.28)	(0.43)
	Significant Accounting Policies	3		
	Notes to Accounts	4		

As per our report of even date  
 For P S Upadhye & Co  
 Firm Registration No. 128679W  
 Chartered Accountants

For and on behalf of the Board of Directors of  
 Nagapattinam Energy Private Limited

Padmanabh S Upadhye  
 Proprietor  
 Membership No. 127913  
 Place : PUNE  
 Date : July 28, 2020



R. Poornalingam  
 Director  
 DIN: 00955742  
 Place : CHENNAI  
 Date : July 28, 2020

S. Rajan Babu  
 Director  
 DIN: 08629668  
 Place: CHENNAI

NAGAPATTINAM ENERGY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020

(Amount in Rupees)

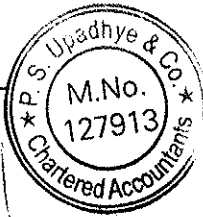
Particulars	2019-20	2018-19
<b>i CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) Before Tax	(70,138)	(1,07,372)
Adjustments For:		
Depreciation, Amortisation and obsolescence of Asset	761	761
	761	761
<b>Operating Cash Profit/(Loss) before Working Capital Changes</b>	<b>(69,377)</b>	<b>(1,06,611)</b>
Adjustments for:		
Trade & Other Receivables	-	10,000
Trade Payables and Other Liabilities	-	10,000
<b>Net Cash Flow From Operating Activities</b>	<b>(69,377)</b>	<b>(96,611)</b>
<b>ii CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Advance paid to Subsidiary Companies	(80,000)	(1,15,000)
<b>Net Cash Used in Investing Activities</b>	<b>(80,000)</b>	<b>(1,15,001)</b>
<b>iii CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Received Deemed Contribution from Holding Company	1,22,000	25,000
<b>Net Cash from Financing Activities</b>	<b>1,22,000</b>	<b>25,000</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(27,377)</b>	<b>(1,86,611)</b>
Cash and Cash Equivalents at the beginning of the year ( Refer Note No 1.4)	94,449	2,81,060
Cash and Cash Equivalents at the end of the year ( Refer Note No 1.4)	67,072	94,449
<b>Net Increase/( Decrease) in Cash &amp; Cash Equivalents</b>	<b>(27,377)</b>	<b>(1,86,611)</b>

Note: The cash flow statement is prepared using the "indirect method" set out in IND AS 7 - "Statement of Cash Flows".

As per our report of even date

For P S Upadhye & Co  
Firm Registration No. 128679W  
Chartered Accountants

Padmanabh S Upadhye  
Proprietor  
Membership No. 127913  
Place : PUNE  
Date : July 28,2020



For and on behalf of the Board of Directors of  
Nagapattinam Energy Private Limited

R. Poornalingam  
Director  
DIN:00955742  
Place :CHENNAI  
Date : July 28,2020

S. RajanBabu  
Director  
DIN: 08629668  
Place:CHENNAI

NAGAPATTINAM ENERGY PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

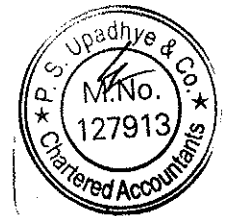
Note No - 1.1 PROPERTY, PLANT AND EQUIPMENT

(Amount in Rupees)

Particulars	Land	Furniture & Fixtures	Total
<b>Cost or valuation</b>			
As at April 1, 2018	-	44,960	44,960
Additions	8,49,26,371		
Disposals			
As at March 31, 2019	8,49,26,371	44,960	8,49,71,331
Additions #	-	-	-
Disposals	-	-	-
As at March 31, 2020	8,49,26,371	44,960	8,49,71,331
<b>Depreciation</b>			
As at April 1, 2018	-	42,676	42,676
Charge for the year	-	761	761
Disposals		-	-
As at March 31, 2019	-	43,437	43,437
Charge for the year	-	761	761
Disposals	-	-	-
As at March 31, 2020	-	44,198	44,198
<b>Net Block</b>			
At 31 March 2019	8,49,26,371	1,523	8,49,27,894
At 31 March 2020	8,49,26,371	762	8,49,27,133

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NAGAPATTINAM ENERGY PRIVATE LIMITED  
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020  
Note No. 1.2 NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investment in Equity Instruments - Unquoted</b>		
<b>In Subsidiary Companies (At Cost)</b>		
i) Best Exim Pvt Ltd 10,000 (Previous Year - 10,000 ) Equity Shares of Rs 10/- each fully paid	1,00,000	1,00,000
ii) Marshall Microware Infrastructure Pvt Ltd 10,000 (Previous Year - 10,000 ) Equity Shares of Rs 10/- each fully paid	1,00,000	1,00,000
iii) Success Power & Infrastructure Pvt Ltd 1,90,000 (Previous Year - 1,90,000 ) Equity Shares of Rs 10/- each fully paid	19,00,000	19,00,000
<b>Investment in Subsidiary - Equity Component</b>		
Best Exim Private Ltd ( Quasi Equity)	1,97,15,000	1,96,95,000
Marshall Microware Pvt Ltd ( Quasi Equity)	4,43,04,408	4,42,84,408
Success Power & Infraprojects Pvt Ltd ( Quasi Equity)	5,95,55,000	5,95,15,000
<b>Aggregate amount of Unquoted Investments</b>	<b>12,56,74,408</b>	<b>12,55,94,408</b>
<b>Financial assets carried at cost</b>	<b>12,56,74,408</b>	<b>12,55,94,408</b>

NOTE NO. 1.3 NON CURRENT ASSETS - OTHERS

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Advances	30,000	30,000
	<b>30,000</b>	<b>30,000</b>

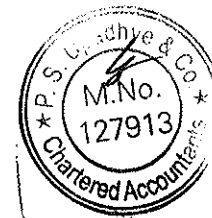
NOTE NO. 1.4 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(Amount in Rupees)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash and Cash Equivalents</b>		
i) Balances with Bank	66,307	93,683
ii) Cash on Hand	765	766
	<b>67,072</b>	<b>94,449</b>

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NOTE NO. 1.5 EQUITY SHARE CAPITAL

Particulars	(Amount in Rupees)	
	As at March 31, 2020	As at March 31, 2019
<b>Authorised</b> 6,00,00,000 (Previous Year - 6,00,00,000 ) Equity shares of Rs.10/- each	60,00,00,000	60,00,00,000
	60,00,00,000	60,00,00,000
<b>Issued , Subscribed and Paid up</b> 2,50,000 (Previous Year - 2,50,000 ) Equity shares of Rs.10/- each	25,00,000	25,00,000
	25,00,000	25,00,000

The Company has only one class of issued shares having par value of Rs 10/- each.  
Holder of Equity Shares is entitled to one vote per share.

The reconciliation of number of shares outstanding and the amount of share capital is set-out below

Particulars	As at March 31,2020		As at March 31,2019	
	Equity Shares Numbers	Amount in Rupees	Equity Shares Numbers	Amount in Rupees
Shares outstanding at the beginning of the year	2,50,000	25,00,000	2,50,000	25,00,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,50,000	25,00,000	2,50,000	25,00,000

The Details of shareholders holdings

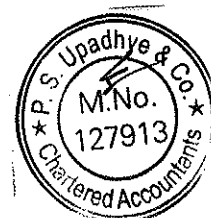
Name of Share Holders	As at March 31,2020		As at 31st March 2019	
	No. of Shares held	% holding	No. of Shares held	% holding
Tridem Port And Power Company Private Limited.	2,50,000	100.00%	2,50,000	100.00%

Note No. 1.6 OTHER EQUITY

Particulars	(Amount in Rupees)			
	Reserve and Surplus	Deemed equity contribution received from Holding Company	Items of Other Comprehensive Income	Total
As at April 1, 2018 (A)	(47,86,885)	579732091	-	57,49,45,206
Adjustments:				
Add: Loss for the year	(1,07,372)			(1,07,372)
Add: Amount received during the year		25000		25,000
Total (B)	(1,07,372)	25,000	-	(82,372)
As at March 31, 2019 (C) = (A) + (B)	(48,94,257)	57,97,57,091	-	57,48,62,834
Adjustments:				
Add: Loss for the year	(70,138)	-	-	(70,138)
Add: Amount received during the year	-	1,22,000	-	1,22,000
Total (D)	(70,138)	1,22,000	-	51,862
As at March 31, 2020 (E) = (C) + (D)	(49,64,395)	57,98,79,091	-	57,49,14,696

NOTE NO. 1.7 CURRENT FINANCIAL LIABILITIES - OTHERS

Particulars	(Amount in Rupees)	
	As at March 31, 2020	As at March 31, 2019
Provision for Expenses	10,000	10,000
	10,000	10,000



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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 (CONTD)

NOTE NO. 1.8 OTHER EXPENSES

Particulars	(Amount in Rupees)	
	2019-20	2018-19
i) Audit Fees	10,000	10,000
ii) Office Rent	-	20,500
iii) Other Administrative Expenses	59,377	76,111
	<b>69,377</b>	<b>1,06,611</b>

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# NAGAPATTINAM ENERGY PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31, 2020

## 2. Corporate Information

Nagapattinam Energy Private Limited ("the Company") is a private limited company incorporated in India (CIN:U40100TN2008PTC069515) having its registered office in Chennai. The Company is engaged in generation of electrical power and presently not implementing any project.

These financial statements for the year ended March 31, 2020, were approved for the issues by the Board of Directors at their Board meeting dated 28<sup>th</sup> July, 2020.

## 3. Significant Accounting Policies

### 3.1 Statement of compliance:

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2016; as amended and the other relevant provisions of the Act and Rules thereunder.

### 3.2 Basis of Preparation

The financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities (including financial instruments) which have been measured at fair value at the end of each reporting period as explained in the accounting policies stated below.

### 3.3 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimate and assumption that affects the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent Liabilities on the date of the financial statements. The estimate and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future period.

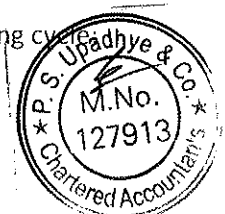
### 3.4 Application of new and revised Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2016 (as amended) as applicable at the reporting date have been considered in preparing these financial statements. There is no such notification which would have been applicable to the Company from April 1, 2020.

### 3.5 Current versus non-current classification

The company has classified all its assets and liabilities under current and non-current as required by Ind AS 1- Presentation of Financial Statements. The asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for purpose of trading;
- Expected to be realized within twelve months after the reporting period; or



# NAGAPATTINAM ENERGY PRIVATE LIMITED

## Notes to the Financial Statements for the year ended March 31, 2020

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

All liabilities are current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

### 3.6 Functional and presentation currency:

The Functional and presentation currency of the Company is Indian rupees. Accordingly, all amounts disclosed in the financial statements and notes have been shown in Indian rupees.

### 3.7 Revenue from contracts with customers:

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

### 3.8 Property, Plant and Equipment:

Freehold Land is stated at historical cost.

Property, plant and equipment are stated at their original cost of acquisition including taxes, duties, freight, other incidental expenses related to acquisition and installation of the concerned assets and excludes refundable taxes and duties.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work- in- Progress.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

### 3.9 Depreciation:

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act on Straight Line Method. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

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# NAGAPATTINAM ENERGY PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31, 2020

## 3.10 Investment

Investment in subsidiaries are stated at cost less any provision for impairment.

The company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be fully recoverable. If any such indication of impairment exists, the Company make an estimate of the recoverable amount. If the recoverable amount of the cash generating unit is less than the value of investment, the investment is considered to be impaired and its written downs to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

## 3.11 Fair Value Measurement: -

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 3.12 Financial instruments:

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

### Financial Assets:

#### i Classification:

Financial assets are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at recognition



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# NAGAPATTINAM ENERGY PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31, 2020

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset

**ii Initial recognition and measurement:**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**iii Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally

**iv Financial Assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

**v Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

**vi De-recognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss

**vii Impairment of Financial Assets:**

In accordance with Ind - AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities:

**i Classification:**

