

GARE PELMA III COLLIERIES LIMITED

Balance Sheet as at 31 March 2020

(Amt in Rs.)

	Notes	As at 31/Mar/2020	As at 31/Mar/2019
ASSETS			
(I) Non-Current Assets			
(a) Property, Plant and Equipment	3	16,519,386	5,566,848
(b) Capital Work-In-Progress	4	6,469,120	153,715,944
(c) Other Intangible Assets	3	387,797,338	-
(d) Financial Assets			
(i) Other Financial Assets	5	16,493,400	-
(e) Deferred Tax Asset	27	-	-
(f) Income Tax Assets (net)	6	4,084,850	2,306,148
(g) Other Non-Current Assets	7	-	530,840
Total Non-Current Assets		431,364,094	162,119,780
(II) Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables	8	6,913,509	-
(ii) Cash & Cash Equivalents	9	10,358,248	2,727,738
(iii) Loans	10	348,778	773,787
(iv) Other Financial Assets	11	256,083,128	247,890,880
(c) Other Current Assets	12	163,772,864	4,036,431
Total Current Assets		437,476,527	255,428,836
Total Assets		868,840,621	417,548,616
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	1,000,000	1000000
(b) Other Equity		(81,139,146)	(186,704)
		(80,139,146)	813,296
LIABILITIES			
(I) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	14	159,989	-
(b) Provisions	15	22,241,222	15,560,889
(c) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		22,401,211	15,560,889
(II) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	840,727,614	385,657,274
(ii) Trade Payables	17		
- Total outstanding dues of micro and small enterprises		2,632,049	-
- Total outstanding dues of creditors other than micro and small enterprises		67,486,821	21,766
(iii) Other Financial Liabilities	18	2,862,085	10,948,225
(b) Other Current Liabilities	19	11,092,074	3,210,330
(c) Provisions	20	1,777,913	1,336,836
Total Current Liabilities		926,578,556	401,174,431
Total Liabilities		948,979,767	416,735,320
Total Equity and Liabilities		868,840,621	417,548,616

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

D. A. Parikh
Partner
Membership No. 045501
Place : Ahmedabad
Date : 01-May-2020



For and on behalf of the board of directors of
Gare Pelma III Collieries Limited

Rajendra Ingale
Director
DIN : 05304897
Place : Ahmedabad
Date : 01-May-2020

Manish Saxena
Director
DIN : 08280514
Place : Gurgaon
Date : 01-May-2020

GARE PELMA III COLLIERIES LIMITED

Statement of Profit and Loss for the year ended on 31 March 2020

(Amt in Rs.)

	Notes	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
a) Income			
Revenue from Operations	21	5,858,906	-
Other Income	22	6,020,910	-
Total Income		11,879,816	-
b) Expenses			
Operating Expenses	23	2,837,900	-
Employee Benefits Expense	24	25,111,529	-
Finance Costs	25	27,728,106	49
Depreciation and Amortisation Expense	3	1,280,567	-
Other Expenses	26	35,862,333	116,752
Total Expenses		92,820,435	116,801
c) Profit / (Loss) Before Tax		(80,940,619)	(116,801)
d) Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Adjustment of Earlier Years		11,823	-
Total Tax Expenses		11,823	-
e) Profit / (Loss) For The Year		(80,952,442)	(116,801)
f) Other Comprehensive Income			
- Item that will be reclassified to Profit & Loss		-	-
- Item that will not be reclassified to Profit & Loss		-	-
Total Other Comprehensive Income		-	-
g) Total Comprehensive Loss for the Year		(80,952,442)	(116,801)
h) Earning per Equity Share (Face value of Rs.10 each)	33		
Basic		(809.52)	(1.17)
Diluted		(809.52)	(1.17)

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Gare Pelma III Collieries Limited

D. A. Parikh
Partner
Membership No. 045501

Place : Ahmedabad
Date : 01-May-2020



Rajendra Ingale
Director
DIN : 05304897

Place : Ahmedabad
Date : 01-May-2020

Manish Saxena

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Director
DIN : 08280514

Place : Gurgaon
Date : 01-May-2020

GARE PELMA III COLLIERIES LIMITED

Statement of Cash Flow for the year ended on 31 March 2020

(Amt in Rs.)

	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(80,940,619)	(116,801)
Adjustment on account of :		
Finance Cost	27,728,106	-
Interest Income	(6,020,910)	-
Operating Profit / (Loss) Before Working Capital Changes	(59,233,423)	(116,801)
Movements in Working Capital :		
(Increase) / Decrease in Other Non-Current Financial Assets	(16,493,400)	-
(Increase) / Decrease in Trade Receivables	(6,913,509)	-
(Increase) / Decrease in Loans	425,009	(773,787)
(Increase) / Decrease in Other Current Financial Assets	(7,739,732)	(3,375,788)
(Increase) / Decrease in Other Current Assets	(159,736,433)	(2,243,349)
Increase / (Decrease) in Trade Payables	70,097,104	21,766
Increase / (Decrease) in Other Non-Current Financial Liabilities	159,989	-
Increase / (Decrease) in Other Current Financial Liabilities	962,664	54,983
Increase / (Decrease) in Other Current Liabilities	7,881,745	2,338,450
Increase / (Decrease) in Current and Non-Current Provisions	7,121,410	16,897,725
Cash Generated from Operations	(163,468,576)	12,803,199
Less : Income Taxes Paid (Net of Refunds)	1,790,525	1,790,002
Net Cash Generated From / (Used in) Operating Activities	(165,259,101)	11,013,197
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Property, Plant & Equipment (including adjustment of increase / decrease of Capital Work In Progress, Capital creditors and advances)	(233,505,420)	(116,846,040)
Redemption of / (Investment) in Bank Deposits	-	4,950,000
Interest Income received	17,231,595	10,911,683
Net Cash Generated From / (Used in) Investing Activities	(216,273,825)	(100,984,357)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	455,970,340	118,559,268
Repayment of Borrowings	(900,000)	-
Finance Cost paid	(65,755,652)	(28,926,549)
Payment on account of Lease Liability	(151,252)	-
Net Cash Generated From / (Used in) Financing Activities	389,163,436	89,632,719
Net Increase / (Decrease) in Cash & Cash Equivalents	7,630,510	(338,441)
Cash & Cash Equivalents at the beginning of the year	2,727,738	3,066,179
Cash & Cash Equivalents at the end of the year	10,358,248	2,727,738



Notes to Statement of Cash Flow:

- (i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(Amt in Rs.)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents as per Balance Sheet (Refer note 9)	10,358,248	2,727,738

- (ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are included below:

(Amt in Rs.)

Particulars	As at 1st April, 2019	Cash Flows	Non Cash Changes	As at 31st March, 2020
Non - Current borrowings	-	-	-	-
Current borrowings	385,657,274	455,070,340	-	840,727,614
Total	385,657,274	455,070,340	-	840,727,614

- (iii) The statement of cash flow has been prepared under the 'Indirect Method' set out in ind AS 7 'Statement of Cash Flows'.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Dharmesh Parikh & Co.

Chartered Accountants

Firm Registration Number : 112054W

For and on behalf of the board of directors of

Gare Pelma III Collieries Limited

D. A. Parikh

Partner

Membership No. 045501

Place : Ahmedabad

Date : 01-May-2020



Rajendra Ingale

Director

DIN : 05304897

Place : Ahmedabad

Date : 01-May-2020

Manish Saxena

Director

DIN : 08280514

Place : Gurgaon

Date : 01-May-2020

GARE PELMA III COLLIERIES LIMITED

Statement of Changes in Equity for the year ended on 31 March 2020

A. Equity Share Capital

Particulars	No. of Shares	Amt in Rs.
Balance as at 1st April, 2018	-	-
Changes in equity share capital during the year:	100,000	1,000,000
Balance as at 31st March, 2019	100,000	1,000,000
Changes in equity share capital during the year:	-	-
Balance as at 31st March, 2020	100,000	1,000,000

B. Other Equity

Particulars	Reserves and Surplus	(Amt in Rs.)
	Retained Earnings	Total
Balance as at 1 st April 2018	(69,903)	(69,903)
Profit/(Loss) for the year	(116,801)	(116,801)
Other comprehensive income	-	-
Total Comprehensive Income/(Loss) for the year	(116,801)	(116,801)
Balance as at 31st March, 2019	(186,704)	(186,704)
Balance as at 1 st April 2019	(186,704)	(186,704)
Profit/(Loss) for the year	(80,952,442)	(80,952,442)
Other comprehensive income	-	-
Total Comprehensive Income/(Loss) for the year	(80,952,442)	(80,952,442)
Balance as at 31st March, 2020	(81,139,146)	(81,139,146)

Note: Retained earnings are the profits that the company has earned till date, less any transfers to General Reserves, Dividend or other distributions paid to share holders.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

D. A. Parikh
Partner
Membership No. 045501
Place : Ahmedabad
Date : 01-May-2020



For and on behalf of the board of directors of
Gare Pelma III Collieries Limited

Rajendra Ingale
Director
DIN : 05304897
Place : Ahmedabad
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Manish Saxena
Director
DIN : 08280514
Place : Gurgaon
Date : 01-May-2020

1 Corporate Information

Gare Pelma III Collieries Limited is a public limited company domiciled in India with its registered office located at Adani House, Plt No. 83, Sector 32, Institutional Area, Gurgaon, Haryana. The Company has been incorporated on 18-Jul-2017 to carry out mining operation at Gare Pelma III coal block. The company has commenced its operations and delivery of coal to the mine owner during the financial year.

2 Summary of Significant Accounting Policies**a) Basis of preparation and presentation of financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and generally accepted accounting principles in India.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated.

Current & Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii) The asset is intended for sale or consumption;
- iii) The asset/liability is held primarily for the purpose of trading;
- iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

b) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect 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 differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

Estimates and assumptions are required in particular for:

i) Useful life of tangible assets:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

ii) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

iii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.



iv) Determination of lease term & Discount Rate:**Lease Term:**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Discount Rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

c) Cash And Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Revenue Recognition

Revenue from contract with customer is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

The specific recognition criteria from various stream of revenue is described below:

i) Rendering of Services

Revenue from services rendered is recognised when the work is performed and as per the terms of agreement.

ii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The same is disclosed as "Unbilled Revenue" under Other Current Financial Assets.

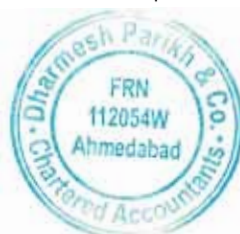
Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

f) Property, Plant & Equipments

Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.



Depreciation of Property, Plant and Equipments is provided on Straight Line Method based on the useful life of the assets in the manner specified in Schedule II of the Companies Act 2013. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Expenditure incurred relating to project under commissioning for commercial operation of services are classified as Project Development Expenditure and disclosed under Capital Work in Progress. The same are allocated to the respective Property, Plant & Equipments on completion of construction / erection of capital assets.

g) Intangible Assets

Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised.

The intangible assets of the Company are assessed to be of finite lives and are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company reviews amortisation period on an annual basis.

Intangible assets are amortised on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life (Years)
Software applications	3-5 Years based on management estimate
Mine Development Assets	Over a period of underlying contract

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

h) 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. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under:

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

j) Employee Benefits

Employee benefits includes salary, wages, gratuity, compensated absences and contribution to provident fund.

Short Term Employees Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

Defined Contribution Plans

Retirement benefits in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

Defined Benefit Plans

The Company operates a defined benefit gratuity plan. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

Long Term Employee Benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between Current and Non-Current liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

k) Segment Accounting

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as Mining Services. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Further since the company's services are limited to the operation of allocated mine, it operates in a single geographical segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

l) Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

m) Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.



n) Taxes on Income

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

In the absence of any taxable income, provision for taxation has not been made in accordance with the income tax laws prevailing for the relevant assessment year.

ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

o) Impairment of Non-Financial Asset

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the use which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

p) Leases

The Company assess whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

i) Company as a Lessee:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities.



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

II) Company as a lessor:

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Operating lease

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

q) Service Work in Progress

Service Work in Progress is valued at lower of cost and net realisable value. Cost is determined based on Weighted Average Cost Method.

Service Work in Progress represents closing inventory of Washed and Reject Coal, which is not owned by the Company as per the terms of MDO contract. Hence, this represents work performed under contractual liability in bringing this inventory to its present condition and location.

Net realisable value is the contract price as per the Mine Development and Operation (MDO) Agreement, less estimated costs of completion and estimated costs necessary to make the sale.

r) Overburden Cost Adjustment

Overburden removal expenses incurred during production stage are charged to revenue based on waste-to-ore ratio, (commonly known as Stripping Ratio in the industry). This ratio is taken based on the current operational phase of overall mining area. To the extent the current period ratio exceeds the expected Stripping Ratio of a phase, excess overburden costs are deferred.

s) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the Financial Statements.



3 Property, Plant & Equipments and intangible assets

Particulars	Property, Plant & Equipments							Intangible Assets				Grand Total
	Buildings	ROU Buildings	Electrical Installation	Computer Hardware	Furniture	Office Equipment	Vehicles	Total	Computer Software	Mine Development Right	Total	
A. Year Ended 31-March-2019												
Gross Carrying Value												
Opening Balance	5,051,121	-	102,834	1,425,156	315,060	57,024	-	6,951,195	-	-	-	6,951,195
Addition	56,368	-	528,796	-	660,680	220,548	-	1,466,392	-	-	-	1,466,392
Deduction	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	5,107,489	-	631,630	1,425,156	975,740	277,572	-	8,417,587	-	-	-	8,417,587
Accumulated Depreciation and Amortisation												
Opening balance	722,163	-	3,431	87,959	7,320	125	-	820,997	-	-	-	820,997
Depreciation and Amortisation for the year	1,683,759	-	13,731	237,526	54,603	40,122	-	2,029,741	-	-	-	2,029,741
Deduction	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	2,405,922	-	17,162	325,485	61,923	40,247	-	2,850,738	-	-	-	2,850,738
Net Carrying Amount as at 31-Mar-19	2,701,567	-	614,468	1,099,671	913,817	237,325	-	5,566,849	-	-	-	5,566,849
B. Year Ended 31-March-2020												
Gross Carrying Value												
Opening Balance	5,107,489	-	631,630	1,425,156	975,740	277,572	-	8,417,587	-	-	-	8,417,587
Addition	2,016,914	436,259	6,119,082	2,338,240	276,128	2,473,549	107,447	13,767,618	290,637	391,680,505	391,971,142	405,738,760
Deduction	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	7,124,402	436,259	6,750,712	3,763,396	1,251,868	2,751,121	107,447	22,185,205	290,637	391,680,505	391,971,142	414,156,347
Accumulated Depreciation and Amortisation												
Opening balance	2,405,922	-	17,162	325,485	61,923	40,247	-	2,850,738	-	-	-	2,850,738
Depreciation and Amortisation for the year	1,901,720	153,999	130,930	344,430	108,055	173,217	2,730	2,815,081	159	4,173,645	4,173,804	6,988,884
Deduction	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	4,307,641	153,999	148,092	669,915	169,978	213,464	2,730	5,665,819	159	4,173,645	4,173,804	9,839,622
Net Carrying Amount as at 31-Mar-20	2,816,761	282,260	6,602,621	3,093,481	1,081,889	2,537,657	104,717	16,519,386	290,479	387,506,860	387,797,338	404,316,725

(1) Depreciation and Amortisation till the commencement of Project has been charged to Project Development Expenditure.

(2) Depreciation and Amortisation on Mine Development Right has been transferred to Operating Expenses.



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

4 Capital Work-In-Progress	Amt in Rs. As at 31/Mar/2020		As at 31/Mar/2019	
Capital Inventories Project Development Expenditure	4,750,232 1,718,888	265,641 153,450,303		
	6,469,120	153,715,944		
Details of Project Development Expenditure				
Project Expenses	110,638,668	9,060,235		
Manpower Cost	200,218,997	102,380,516		
Travelling & Conveyance	22,115,430	11,670,516		
Office & Administrative Expenses	6,358,688	4,205,412		
Finance Cost	77,418,546	39,356,031		
Depreciation and Amortisation	4,385,409	2,850,737		
Interest Income	(27,736,345)	(16,073,144)		
Less: Projects capitalised during the year	(391,680,505)	-		
	1,718,888	153,450,303		
5 Other Non-Current Financial Assets (Unsecured, Considered good)	Amt in Rs. As at 31/Mar/2020		As at 31/Mar/2019	
Deposits	16,493,400	-		
	16,493,400	-		
6 Income Tax Assets (net)	Amt in Rs. As at 31/Mar/2020		As at 31/Mar/2019	
Advance payment of income tax (net of provision)	4,084,850	2,306,148		
	4,084,850	2,306,148		
7 Other Non-Current Assets (Unsecured, Considered good)	Amt in Rs. As at 31/Mar/2020		As at 31/Mar/2019	
Capital advances	-	530,840		
	-	530,840		
8 Trade Receivables	Amt in Rs. As at 31/Mar/2020		As at 31/Mar/2019	
Unsecured, considered good	6,913,509	-		
	6,913,509	-		



9 Cash & Cash Equivalents

Balances with Banks
· In Current Accounts

Amt in Rs.	
As at 31/Mar/2020	As at 31/Mar/2019
10,358,248	2,727,738
10,358,248	2,727,738

10 Loans

(Unsecured, Considered good)

Loans to employees

Amt in Rs.	
As at 31/Mar/2020	As at 31/Mar/2019
348,778	773,787
348,778	773,787

11 Other Current Financial Assets

(Unsecured, Considered good)

Margin Deposit against Bank Guarantee
Deposits
Interest accrued
Other Receivables
Unbilled revenue

Amt in Rs.	
As at 31/Mar/2020	As at 31/Mar/2019
244,000,000	244,000,000
164,000	-
1,240,000	787,484
10,422,142	3,103,396
256,986	-
256,083,128	247,890,880

12 Other Current Assets

(Unsecured, Considered good)

Advance against expenses
Advance to Employees
Balances with Government Authorities (GST Receivable)
Service Work in Progress

Amt in Rs.	
As at 31/Mar/2020	As at 31/Mar/2019
12,484,896	495,077
360,000	-
36,535,994	3,541,354
114,391,974	-
163,772,864	4,036,431



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

13 Share Capital

	As at 31-Mar-2020		As at 31-Mar-2019	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
Authorised shares				
Equity shares of Rs. 10/- each	100,000	1,000,000	100,000	1,000,000
Issued, subscribed and fully paid-up shares				
Equity shares of Rs. 10/- each fully paid up	100,000	1,000,000	100,000	1,000,000
	100,000	1,000,000	100,000	1,000,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31-Mar-2020		As at 31-Mar-2019	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
Equity shares				
At the beginning of the year	100,000	1,000,000	-	-
Issued during the year	-	-	100,000	1,000,000
Outstanding at the end of the year	100,000	1,000,000	100,000	1,000,000

b. Terms/ rights attached to equity shares

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

	As at 31-Mar-2020		As at 31-Mar-2019	
	Numbers	Amt in Rs.	Numbers	Amt in Rs.
Equity Shares				
Adani Enterprises Limited	100,000	1,000,000	100,000	1,000,000
(Holding Company with its nominees)	100,000	1,000,000	100,000	1,000,000

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

	As at 31-Mar-2020		As at 31-Mar-2019	
	Numbers	% holding	Numbers	% holding
Equity Shares				
Adani Enterprises Limited	100,000	100%	100,000	100%
(Holding Company with its nominees)	100,000	100%	100,000	100%



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

14 Other Non-Current Financial Liabilities

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Finance Lease Obligation (Ref. note 35)	159,989	-
	159,989	-

15 Non-Current Provisions

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Provision for Gratuity (Ref. note 31)	13,971,768	9,650,696
Provision for Compensated Absences (Ref. note 31)	8,269,454	5,910,193
	22,241,222	15,560,889

Note :

Current and non-current classification is done based on actuarial valuation certificate.

16 Current Borrowings

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Unsecured borrowings from Related Parties (Ref. note 32)	840,727,614	385,657,274
	840,727,614	385,657,274

Notes :

Unsecured Corporate Loan is received from the holding company, repayable on demand and it carries an interest rate of 12% p.a..

17 Trade Payables

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Trade payables		
- Total outstanding dues of micro and small enterprises	2,632,049	-
- Total outstanding dues of creditors other than micro and small enterprises	67,486,821	21,766
	70,118,870	21,766

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(Amt in Rs.)	
	As at 31/Mar/2020	As at 31/Mar/2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,632,049	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

18 Other Current Financial Liabilities

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Retention Money	857,659	54,983
Capital Creditors	1,844,438	10,893,242
Current maturities of Finance Lease Obligation (Ref. note 35)	159,988	-
	2,862,085	10,948,225

19 Other Current Liabilities

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Statutory Dues Payable (includes TDS, PF)	11,092,074	3,210,330
	11,092,074	3,210,330

20 Current Provision

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Provision for Gratuity (Ref. note 31)	237,085	110,470
Provision for Compensated Absences (Ref. note 31)	1,540,828	1,226,366
	1,777,913	1,336,836

Note:

Current and non-current classification is done based on actuarial valuation certificate.

21 Revenue from Operations

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Revenue from Operations		
Mining Service Fees	5,858,906	-
	5,858,906	-

22 Other Income

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Interest Income	6,020,910	-
	6,020,910	-

23 Operating Expenses

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Coal Extraction	20,746,434	-
Overburden Removal & Blasting Expenses	51,217,124	-
Freight & Handling Charges	316,252	-
Equipment Hiring Charges	9,437,367	-
Power and Fuel	395,266	-
Personnel Cost (Transferred from Employee Benefits Expense)	30,943,786	-
Depreciation and Amortisation Expense	4,173,645	-
	117,229,874	-
Add: Contract Work-in-Progress, at the beginning of the year	-	-
Less: Contract Work-in-Progress, at the end of the year	(114,391,974)	-
	2,837,900	-



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

24 Employee Benefits Expense

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Salaries & Wages	46,836,376	-
Contribution to Provident & Other Funds	5,523,419	-
Staff Welfare Expenses	3,695,520	-
Less: Transferred to Operating Expenses	(30,943,786)	-
	25,111,529	-

25 Finance Costs

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Interest on Borrowings	27,196,068	-
Bank Charges	532,038	-
	27,728,106	-

26 Other Expenses

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Rent	316,602	-
Power and Fuel	222,501	-
Consumption of Stores & Spares	246,940	-
Repairs & Maintenance	3,116,923	-
Travelling & Conveyance Expenses	9,568,559	-
Advertisement Expense	1,109,376	-
Payment to Auditors		
Statutory Audit Fees	20,000	15,000
Tax Audit Fees	20,000	-
Other Attestation Services	18,408	14,978
Manpower Services	5,063,340	-
Laboratory & Testing Expenses	2,288,624	-
Legal & Professional Fees	9,421,494	86,774
Communication Expenses	58,362	-
Office Expenses	1,649,314	-
Safety & Security Expenses	1,679,151	-
Miscellaneous Expenses	1,062,739	-
	35,862,333	116,752

27 Income Tax Expense

a. Calculation of Deferred Tax Liability / Asset (net)

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
Deferred Tax Liabilities		
Depreciation	-	-
Deferred Tax Assets		
Carried Forward Losses & Allowances	20,422,654	30,368
	20,422,654	30,368

During the current year, as per the Ind AS 12, "Income Taxes", the Company would have a net deferred tax asset, on account of unused tax losses. The deferred tax asset of Rs. 20,422,654/- (Previous Year Rs. 30,368/-) will be recognised, as and when there is a virtual certainty that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

b. Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2020 & 31st March 2019 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

	Amt in Rs.	
	31/Mar/2020	31/Mar/2019
Profit / (Loss) Before Tax	(80,940,619)	(116,801)
Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.17%	26.00%
Tax Expense as per Income Tax Act, 1961.	(20,371,135)	(30,368)
Tax on Current year losses for which no deferred tax asset is recognised	20,371,135	30,368
Income tax recognised in profit and loss account at effective rate	-	-

28 Fair Value Measurement and Hierarchy

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

29 Financial Instruments and Risk Review

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents and other assets. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest risk, credit risk and liquidity risk.

Interest risk

The Company is exposed to changes in interest rates due to its financing and cash management activities. The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk.

The risks arising from interest rate movements arise from borrowings with variable interest rates. For sensitivity analysis, the amount of the liability outstanding at the end of the year is assumed to be outstanding for the whole year. A 50 basis point increase or decrease is used for analysis, which represents management's assessment of the reasonably possible change in interest rate.

Particulars	(Amt in Rs.)	
	As at 31st March 2020	As at 31st March 2019
Total Borrowings at the year end	840,727,614	385,657,274

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

Particulars	(Amt in Rs.)	
	As at 31st March 2020	As at 31st March 2019
Impact on profit for the year	4,203,638	1,928,286

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

Particulars	(Amt in Rs.)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
As at 31st March, 2020 :				
Borrowings	840,727,614	-	-	840,727,614
Trade Payables	70,118,870	-	-	70,118,870
Other Financial Liabilities	2,862,085	159,989	-	3,022,074
Total	913,708,568	159,989	-	913,868,557

Particulars	(Amt in Rs.)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
As at 31st March, 2019 :				
Borrowings	385,657,274	-	-	385,657,274
Trade Payables	21,766	-	-	21,766.00
Other Financial Liabilities	10,948,225	-	-	10,948,224.88
Total	396,627,265	-	-	396,627,265

Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The company monitors capital using gearing ratio, which is net debt (borrowings as detailed in note 15 less cash and bank balances) divided by total capital plus debt.

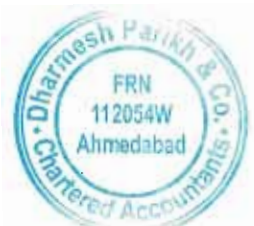
Particulars	(Amt in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
Total Borrowings (Refer note 16)	840,727,614	385,657,274
Less: Cash and Bank Balances (Refer note 9)	10,358,248	2,727,738
Net Debt (A)	830,369,366	382,929,536
Total Equity (B)	80,139,146	813,296
Total Equity and Net Debt (C = A + B)	750,230,220	383,742,832
Gearing Ratio	110.68%	99.79%

30 Contingent Liabilities & Commitments

Contingent Liabilities, to the extent not provided for
Commitments

Estimated amount of contracts remaining to be executed
on capital accounts (net of advances)

	Amt in Rs.	
	As at 31/Mar/2020	As at 31/Mar/2019
	-	-
	25,113,412	6,340,233
	25,113,412	6,340,233



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

31 Retirement Benefits

(a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	Amt in Rs.	
	Gratuity	
	As at 31-Mar-2020	As at 31-Mar-2019
i. Change in Obligations during the year		
Present Value of Obligations at the beginning of the year	9,761,167	-
Current Service Cost	2,388,137	1,920,755
Interest Cost	767,839	572,423
Benefits paid	(201,466)	-
Actuarial (Gains) / Losses	1,172,661	(269,243)
Acquisition Adjustment	320,515	7,537,232
Present Value at the end of the year	14,208,853	9,761,167
ii. Net Asset / (Liability) recognised in the Balance Sheet		
Present Value of Obligations	14,208,853	9,761,167
Fair Value of Plan Assets	-	-
Net Asset / (Liability)	(14,208,853)	(9,761,167)
iii. Expense recognised in the Statement of Profit and Loss		
Current Service Cost	2,388,137	1,920,755
Interest Cost	767,839	572,423
Expected Return on Plan Assets	-	-
	3,155,976	2,493,178
iv. Expense recognised in Other Comprehensive Income		
Actuarial (Gains) / Losses	1,172,661	(269,243)
Return on plan assets, excluding amount recognised in net interest expense	-	-
	1,172,661	(269,243)

Note : Expenses to be charged to statement of profit & Loss and Other Comprehensive Income are recognised under Project Development Expenditure till the commencement of Project.

v. Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

	As at 31-Mar-2020	As at 31-Mar-2019
Discount Rate	6.70%	7.60%
Expected Rate of Return on Plan Assets	NA	NA
Mortality / Pre-retirement	IALM 12-14 Ultimate	IALM 06-08 Ultimate
Turnover Rate		
Upto 30 years	5.00%	1.00%
31 to 44 years	3.00%	1.00%
Above 44 years	1.00%	1.00%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

Particulars	Increase in assumptions		Decrease in assumptions	
	As at	As at	As at	As at
	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019
Discount Rate (- / + 1%)	12,665,733	8,677,340	16,012,710	11,040,220
Salary Growth Rate (- / + 1%)	15,971,603	11,022,380	12,669,738	8,671,744
Attrition Rate (- / + 50%)	14,038,978	9,721,845	14,396,862	9,801,730
Mortality Rate (- / + 10%)	14,204,145	9,760,058	14,213,578	9,762,281

vi. Maturity Profile of Obligations

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2019: 13 years). The expected maturity analysis of gratuity benefits is as follows :

	As at 31-Mar-2020	As at 31-Mar-2019
Less than a year	237,085	110,470.00
Between 2 to 5 years	3,335,649	1,794,218.00
Between 6 to 10 years	3,549,864	4,049,922.00
Beyond 10 years	27,795,913	23,146,181.00

vii. As defined benefit plans of both i.e. Gratuity and Leave Encashment are non-funded, no data is presented as to fair value of plan assets and asset liability matching.

(b) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis. Contributions to Defined Contribution Plan, recognised as expense for the year is Rs. 67,05,353/- (Previous Year Rs. 50,83,752/-).

(c) Other Long Term Employee Benefits :

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2020 is Rs. 98,10,282/- (Previous Year Rs. 7,136,559/-).

32 Related Parties

Holding Company	:	Adani Enterprises Limited
Subsidiary Company & Associates	:	Nil
Fellow Subsidiary Company	:	Parsa Kente Collieries Limited
(with transactions during the year)		
Key Management Personnel	:	Mr. Rajendra Murlidhar Ingale Mr. Manish Saxena Mr. Mukesh Saxenav (w.e.f 15-Nov-2019) Mr. Jiwan Kumar Mukharjee (Upto 28-Nov-2019)
Enterprises over which above have significant influence	:	Sarguja Rail Corridor Private Limited

Information in respect of Related Parties	Amt in Rs. 31-Mar-2020	Amt in Rs. 31-Mar-2019
Borrowing Received		
Holding Company : Adani Enterprises Limited	455,970,340	118,559,268
Borrowing Repaid		
Holding Company : Adani Enterprises Limited	900,000	-
Interest Expense		
Holding Company : Adani Enterprises Limited	65,467,070	35,915,665
Services Availed		
Holding Company : Adani Enterprises Limited	45,052,630	-
Transfer In of Employee Liabilities		
Holding Company : Adani Enterprises Limited	1,710,289	14,882,981
Fellow Subsidiary : Parsa Kente Collieries Limited	134,171	-
Company		
Entity under Common : Sarguja Rail Corridor Private Limited	1,105,407	192,258
Influence		



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

Transfer Out of Employee Liabilities		
Holding Company : Adani Enterprises Limited	2,831,170	-
Purchase of Fixed Assets		
Holding Company : Adani Enterprises Limited	1,422,439	-
Entity under Common Influence : Sarguja Rail Corridor Private Limited	114,289	282,114
Dues Receivable / (Payable) outstanding at the period end		
Holding Company : Adani Enterprises Limited	(17,254,362)	2,976,487
Fellow Subsidiary : Parsa Kente Collieries Limited	135,336	1,165
Company : Sarguja Rail Corridor Private Limited	1,169,253	125,744
Unsecured Loan Balance, at period end		
Holding Company : Adani Enterprises Limited	840,727,614	385,657,274

33 Earning Per Share (EPS)

	Amt in Rs.	
	For the year ended 31/Mar/2020	For the year ended 31/Mar/2019
Profit / (Loss) for calculation of basic and diluted EPS	(80,952,442)	(116,801)
Weighted average number of equity shares for calculating Basic EPS	100,000	100,000
Weighted average number of equity shares for calculating Diluted EPS	100,000	100,000
Face value of equity shares	10	10
Basic Earning Per Share (in Rupees)	(809.52)	(1.17)
Diluted Earning Per Share (in Rupees)	(809.52)	(1.17)

34 Events occurring after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.

35 Transition to Ind AS 116 Leases

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1st April, 2019, the Company has adopted Ind AS 116 - Leases and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. The Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

The Company has elected below practical expedients on transition to Ind AS 116:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
- Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.

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

- The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 10%.

Leases as lessee

i. The movement in Lease liabilities during the year ended 31st March, 2020

(Amt in Rs.)	
Particulars	As at 31/Mar/2020
Opening Balance	-
Balance as at 1st April, 2019 (on adoption of Ind AS 116)	436,259
Additions during FY 2019-20	-
Finance costs incurred during the year	34,970
Payments of Lease Liabilities	151,252
Balance as at 31st March, 2020	319,977

ii. The carrying value of the Rights-of-use and depreciation charged during the year

(Amt in Rs.)	
Particulars	As at 31/Mar/2020
Gross Carrying Value	
Opening Balances	-
Addition to the Right of Use Asset on account of adoption to Ind AS 116 - Lease Accounting	436,259
Additions during the Year	-
Deductions during the Year	-
Right of use assets as at end of the year	436,259
Accumulated Depreciation	
Opening Balances	-
Depreciation charged for the Year	153,999
Deductions of accumulated depreciation	-
Closing value of Accumulated Depreciation	153,999

iii. Amount recognised in statement of profit & loss account during the Year

(Amt in Rs.)		
Particulars	For the Year Ended on	
	31/Mar/2020	31/Mar/2019
(i) Expenses related to Short Term Lease & Low Asset Value Lease	316,602	-
(ii) Lease Expenses	-	-
Total Expenses	316,602	-

iv. Amounts recognised in statement of cash flows

(Amt in Rs.)	
Particulars	As at 31/Mar/2020
Total Cash outflow for Leases	(151,252)
	(151,252)

v. Maturity analysis of lease liabilities

(Amt in Rs.)	
Particulars	As at 31/Mar/2020
Maturity Analysis of contractual undiscounted cash flows	
Less than one year	166,375
One to five years	183,013
More than five years	-
Total undiscounted lease liabilities as at 31st March, 2020	349,388
Balances of Lease Liabilities	
Non-Current Lease Liability	159,989
Current Lease Liability	159,988
Total Lease Liability	319,977



GARE PELMA III COLLIERIES LIMITED

Notes to Financial Statements for the year ended 31 March 2020

36 Other Disclosures

- (a) The financial statements were approved for issue by the board of directors on 1st May, 2020.
- (b) Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification.
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As per our report of even date
For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W



D. A. Parikh
Partner
Membership No. 045501

Place : Ahmedabad
Date : 01-May-2020



For and on behalf of the board of directors of
Gare Pelma III Collieries Limited



Rajendra Ingale
Director
DIN : 05304897

Place : Ahmedabad
Date : 01-May-2020



Manish Saxena
Director
DIN : 08280514

Place : Gurgaon
Date : 01-May-2020