



MAHANADICOALRAILWAYLIMITED

(A subsidiary of Mahanadi Coalfields Limited)

**10th Annual Report and Accounts
2024-25**



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

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COMPANY INFORMATION
MANAGEMENT DURING 2024-25

Sl. No.	Name	Designation
1.	Shri Keshav Rao	Chairman
2.	Shri A. K. Behura	Director
4.	Shri S. K. Sinha	Director
5.	Shri Ragni Advani	Director
6.	Shri Parag Verma	Director
7.	Shri S. K. Sethi	Director
8.	Shri P. R. Parhi	Director

STATUTORY AUDITOR

M/s Mishra Badhai & Associates
Chartered Accountants,
Sambalpur, Odisha.

SECRETARIAL AUDITOR

M/s Sushanta Pradhan & Associates,
Practicing Company Secretary,
Sambalpur, Odisha-768004.

BANKERS

State Bank of India,
Sambalpur

ICICI Bank
Bhubaneswar

Axis Bank Ltd
Sambalpur

REGISTERED OFFICE

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

NOTICE OF 10th ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of Mahanadi Coal Railway Limited is scheduled to be held at 10.30 AM on Thursday, the 21st August 2025 at Registered office of the Company MCL Office, Jagruti Vihar, Burla, Sambalpur, Odisha - 768020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 including the Audited Balance Sheet as at 31st March, 2025 and Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon or Mahanadi Coal railway Limited.
2. To re-appoint Shri A. K. Behura (DIN: 09712877) as Director, who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To re-appoint Shri S K Sethi (DIN: 08403701) as Director, who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

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

Sd/-
(S. K. Behera)
Company Secretary

Note:

1. Body Corporate are entitled to appoint authorized representatives for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC/OAVM. Corporate Members are, therefore, requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their Representative to attend and vote on their behalf before or at the AGM.
2. The shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the provisions under Section 101(1) of the companies Act, 2013.
3. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular No. 9/2024 dated 19th September, 2024, read with circulars issued earlier on the subject (collectively referred to as 'MCA Circulars') had permitted holding of the AGM through ('VC / OAVM') facility on or before 30th September 2025. In compliance with these Circulars, provisions of the Act, the AGM of the Company is being conducted through VC/OAVM facility, without the physical presence of Members at a common venue.

4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and proxy need not be a member of the Company. Since, this AGM is being held in accordance with the Circular through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form is not annexed to the notice.
5. Participation of the members through VC/OAVM will be counted for the purpose of reckoning the quorum for the AGM as per Section 103 of the Act.
6. The Company will provide VC / OAVM facility to its Members for participating at the AGM. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
7. Pursuant to the provisions of Section 171(1)(b) and 189(4) of the Companies Act, 2013, the registers required to be kept open for inspection at every Annual General Meeting of the company, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cosecymcrl@gmail.com.
8. Where a poll is demanded by the members, the members attending through VC/OAVM shall send their votes to cosecymcrl@gmail.com.
9. The Notice of the AGM and Attendance Slip is being sent in electronic mode to members whose e-mail IDs are registered with the Company unless the members have registered a request for a hard copy of the same. Physical copy of the Notice of AGM and Attendance Slip is being sent to those members who have not registered their e-mail IDs with the Company.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company.
11. Member(s) are requested to notify immediately any change in their address/E-mail ID to the Company.
12. In case of any query, Members may send an email to cosecymcrl@gmail.com or contact the designated person. (Contact No. 9438877329).

Members:

1. Mahanadi Coalfields Limited, Jagruti Vihar, Burla, Sambalpur- 768020. (Atten: Company Secretary, MCL).
2. IRCON International Limited, C-4, District Centre, Saket, New Delhi - 110017. (Atten: Company Secretary, IRCON).
3. Odisha Industrial Infrastructure Development Corporation, IDCO Tower, Janpath, Bhubaneswar - 22 (Atten. Managing Director, IDCO)
4. Shri S. K. Sinha, GM (CSR), MCL, Jagruti Vihar, Burla, Sambalpur-768020.
5. Shri A. K. B. Singh, GM(P&P), MCL, Jagruti Vihar, Burla, Sambalpur-768020.
6. Shri P. K. Mishra, GM(L&R), MCL, Jagruti Vihar, Burla, Sambalpur - 768020.
7. Shri Surendra Singh, ED IRCON, IRCON International Limited, C-4, District Centre, Saket, New Delhi-110017.

Auditors:

1. M/s Mishra Badhai & Associates Chartered Accountants, Balangir, Odisha.
2. Director General of Audit (Coal), Old Nizam Place, 234/4, Acharya Jagadish Chandra Bose Road, Kolkata - 700020.
3. M/s Sushanta Pradhan & Associates, Practicing Company Secretary, Sambalpur, Odisha.

All Directors, MCRL:

DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors of your Company, it is my privilege and honor to present the 10th Annual Report of your Company together with the audited Financial Statements for the year 2024-25 along with the report of the Statutory Auditors and the comments of the Comptroller and Auditor General of India.

1. ORGANISATION:

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

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

Brief Details of the project of MCRL.

Angul-Balaram-Putugadia-Jarapada and one leg to Tentuloi (68 Km) section has been identified by MCRL as its 1st project during its 1st Board meeting held on 11.09.2015. The project consists primarily of 3 legs, (1) Angul- Balaram, (2) Balaram-Putugadia and (3) Jarapada-Putugadia-Tentuloi. Land for the Angul-Balaram leg of the corridor has already been acquired by MCL. Land for the Balaram-Putugadia and Jarapada-Putugadia-Tentuloi legs are being acquired under the Railways Act, 1989 as the entire project is declared as special railway project.

2. HIGHLIGHTS OF PERFORMANCE:

A) **Establishment of MCRL Office**

Mahanadi Coal Railway Limited (MCRL) is functioning its office at Mahanadi Coalfields Ltd. Office Campus, 1st Floor, MCL Office Building, Plot No G - 3, Gadakana, P.O - Mancheswar Railway Colony, Chandrasekharapur, Bhubaneswar, Odisha – 751017 from 02.12.2024 after shifting its office from 5th floor of 11 storied OSHB Building on Plot No.A/32, Kharavel Nagar, Sachivalaya Marg, Bhubaneswar where it was functioning from 01.02.2017 till 01.12.2024 for development of Rail Corridor in Talcher area in the state of Odisha for evacuation of coal.

B) **Detailed Project Report (DPR)**

DPR of Angul-Balaram-Putagadia–Jarapada and one leg uptoTentuloi (about 68 Km) has been approved in principle by Railway Board on 27.10.2017. Final approval of DPR by East Coast Railway has been accorded on 31.01.2018. COM, East Coast Railways sent the proposal to Railway Board on 29.01.2018 for approval of inflated mileage of 60 % and for sanction as Railway project. The approval from Railway for inflated mileage of 60% and Special Railway Project has been obtained. Total cost of the project is Rs.1700 Crore including inflation, Project Management and interest during construction.

C) **Land**

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

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

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

Competent Authority has been nominated under section 7(A) through The Gazette of India notification no 0709 dated 14thFebruary, 2020. 20A Gazette Notification has been issued through East Coast Railway, Bhubaneswar on 09.06.2022. 20E gazette notification under Railway Act (Amendment) - 2008 has been published on 23.05.2023.

The Project of MCRL (68 Km.) has been divided into two Phases; Phase-I (14 Km.) : Angul – Balram section and Phase-II (54 Km.) : Balram – Putagadia – Jarapada – Tentuloi section.

(i) **Land Acquisition status of Phase – I :-**

Land acquisition has been completed and Angul – Balram rail link has been commissioned from 14.11.2022.

(ii) **Land Acquisition status of Phase-II before handing over to ECoR :-**

Parallely, IRCON has also completed substantial portion of land acquisition of Phase-II as below :-

(a) **Tenancy Land :-**

202.42 ha of Private land is being acquired under Railway Act (Amendment) – 2008.

20A gazette notification under Railway Act (Amendment) - 2008 has been published on 10.06.2022.

20E gazette notification under Railway Act (Amendment) - 2008 has been published on 23.05.2023.

20F (4) and (5) newspaper publication before determination of compensation of land has been published on 21.06.2023.

However, the project has been taken over by ECoR.

(b) Forest Land :-

Final/Stage-II forest clearance has been received on 22.02.2023 for 125.355 ha (310 Ac.) of forest land. Enumeration of trees is under progress before felling of trees by OFDC. However, the project is now being taken over by ECoR.

(c) Government Land :-

Collector, Angul has sent the alienation proposal to Govt. of Odisha on 27.01.2023. Govt. of Odisha cleared the proposal on 01.02.2023 with direction to Collector, Angul for alienation and grant of working permission for 42.10 ha of land. However, the project is now being taken over by ECoR.

D) Handing over of Phase-I and Phase-II to ECoR :-

Meanwhile, during review meeting held on 22.02.2023 by Hon'ble Minister of Railway and Hon'ble Minister of Coal it was proposed that MCRL Phase-II in SPV mode may be considered for handing over to Railway for construction. Further, Director (Tech / P&P), MCL requested to GM/ECoR vide letter No.MCL/Director (Tech./P&P)/2023/219-(i)-E dated 29.03.2023 for taking considered view on implementation of Phase-II based on the above meeting.

Accordingly, GM/ECoR requested Railway Board vide DO letter No. CAO/Con/BBS/Plg./01 dated 27.04.2023 to issue suitable direction for taking over the project for construction of Phase-II from SPV and also total management of the Project including Phase-I.

Railway Board vide letter No. 2022/W-H/ECoR/DL/SY/21 (e-file No.3432702) dated 08.06.2023 has sanctioned final location survey (FLS) for MCRL inner Corridor Ph.II and doubling of Ph.I.

During the review meeting conducted by Secretary (Coal), Ministry of Coal, Govt. of India on 13.06.2023, this issue was discussed and directed IRCON to go ahead with decision of Railway to hand over construction of Phase II of MCRL to Railways.

Further, ED/Infra-I, Railway Board letter No. 2015/Infra/12/2 Pt. dated 12.07.2023 stated that Railway Board (CRB & CEO, MI & ME) have approved for taking over the construction of Balram – Putagadia – Tentuloi (54 Km), MCRL Phase-II, through MoR's funding.

ECoR vide their letter reference No. CE/Con/IV/BBS/Inner Corridor/MCRL/Spl dated 13.07.2023 has requested that all the relevant documents/drawing (along with soft copies) pertaining to above said work may be handed over to ECoR. IRCON has handed over the relevant document vide their letter No. IRCON/2069/MCRL/Railway/02/184 dated 04.08.2023.

Further, on 22.08.2023 a meeting was conducted by CTPM/ECoR along with MCRL officials for finalizing the modalities for taking over of MCRL Phase II by Railways. During the meeting it was noted that decision of taking over of MCRL Phase- II by Railway has been taken at Ministerial level as a policy decision. Neither MCRL nor Railways are in default in this work. The compliance on the Minutes of Meeting held on date 22.08.2023 has been submitted by MCRL vide letter dated 07.09.2023.

As such, it was proposed that the expenditure incurred by MCRL for Phase-II to the tune of Rs.82.0 Cr. approx. with reasonable return @ 12% per annum on the investment may be reimbursed by Railway for taking over of Phase-II fulfilling all the legal terms and conditions as laid down in the Concession Agreement signed between ECoR and MCRL.

MCRL has requested ECoR, Bhubaneswar vide letter No. MCRL/BBSR/CEO/Balram-Putagadia-Jarapada-Tentuloi/2023-24/102 dated 23.11.2023 that MCRL Board during its 37th Board meeting held on 25.10.2023 has approved the proposal of taking over of Phase-II Balram-Putagadia-Jarapada-Tentuloi (54 Km) by Railways with compensation by Railway to MCRL for capital investment by reimbursement of capital expenditure incurred on the project plus return as calculated @ 12% per annum (annual compounding) on the same till actual recovery.

MCRL has requested Railway Board through ECoR to consider taking over of completed Angul-Balram single rail line (14 Km) MCRL Phase-I project by Railways vide letter No. MCRL/BBSR/CEO/Ph-I Angul-Balram/2023-24/103 dated 24.11.2023.

ECoR has informed vide letter No. PCOM/PIg/BBS/MCRL/ANGL-JRPD/535/Pt.I dated 16.01.2024 that Railway Board has granted "In-principle" approval for taking over of Phase-I MCRL Project and closure of the Concession Agreement signed between Railway and MCRL.

A meeting was held in this connection on 23.01.2024 at 16.00 hrs. in the PCOM's meeting hall, ECoR, Bhubaneswar. After discussion in the meeting, MCRL has requested ECoR vide MCRL letter No. MCRL/BBSR/CEO/Balram-Putagadia-Jarapada-Tentuloi/2023-24/135 dated 13.02.2024 for taking over of MCRL Phase-I.

MCRL has also complied the requirements discussed during the meeting held on 23.01.2024 vide letter No. MCRL/BBSR/CEO/Angul-Balram-Putagadia-Jarapada-Tentuloi/Phase-I & II/2023-24/137 dated 17.02.2024 in which details of the provisional expenditure incurred/to be incurred for Phase-I and Phase-II work along with audited financial statement for the 2022-23 and details of audited financial statement for the period ended December' 2023 duly enclosed. As per the details Capital Cost of Phase-I is Rs.345.45 Cr., and that of Phase-II is Rs.87.09 Cr., totaling to Rs.432.54 Cr and Interest @ 12% compounded annually amounts to Rs.108.79 Cr.

ECoR formed a committee to arrive at financial figures towards reimbursement of cost for taking over of MCRL Phase-I and Phase-II for onward submission to Railway Board.

ECoR vide letter dated 03.05.2024 asked MCRL for compliance of points raised by Railway.

ECoR vide letter dated 13.05.2024 asked for clarification of termination of apportioned earnings pending capital cost reimbursement.

MCRL vide letter dated 17.05.2024 clarified stoppage of apportioned earnings upon taking over of Phase-I and Phase-II by ECoR pending settlement of reimbursement of capital cost and interest with approval of Chairman, MCRL.

MCRL vide letter dated 25.05.2024 complied ECoR's letter dated 03.05.2024.

Dy. FA & CAO/ECoR's letter dated 28.06.2024 sought clarifications on MCRL's letter dated 25.05.2024.

ECoR vide letter dated 28.06.2024 requested MCRL to make payment to state Govt. of Rs. 166.20 Cr for land acquisition.

Chairman, MCRL vide letter dated 02.07.2024 requested GM, ECoR to expedite taking over of Phase-I & II pending capital reimbursement and claimed interest.

ECoR vide letter dated 17.07.2024 requested RB to take over MCRL SPV pending capital reimbursement by entering into a supplementary agreement.

MCRL vide letter dated 19.07.2024 complied Dy. FA&CAO (T)'s letter dated 28.06.2024.

MCRL vide letter dated 19.08.2024 to ECoR reminded to expedite taking over Phase-I & II.

ECoR vide letter dated 19.09.2024 asked particulars for certification by ECoR engaged Firm of the capital expenditure incurred by MCRL.

MCRL vide letter dated 24.09.2024 complied ECoR's letter dated 19.09.2024.

ECoR vide letter dated 15.10.2024 intimated RB the capital expenditure of Rs.4010.93 lakh upto 30.06.2024 and any expenditure incurred further will be submitted as supplementary expenditure.

MCRL vide letter dated 25.10.2024 to ECoR claimed operational loss of Rs.58.18 lakhs as on 30.09.2024 for consideration towards reimbursement by ECoR to MCRL.

MCRL vide letter dated 17.05.2025 submitted to ECoR for certification of capital expenditure of MCRL Phase-I & II upto 31.03.2025 of Rs.40160.80 lakhs and interest of Rs.18843.10 lakhs totaling to Rs.59003.90 lakhs to ECoR.

ECoR's letter dated 28.05.2025 to RB forwarded the claims of MCRL dated 17.05.2025.

E) Maintenance of Phase-I Project :-

MCRL undertook maintenance of Phase I from the date of commission on 14.11.2023 to 29.02.2024 through IRCON.

Further, the maintenance of Angul-Balram MCRL Project Phase-I has also been taken over by ECoR from 01.03.2024 following MCRL's request letter dated 12.12.2023 on the basis of decision taken in 38th MCRL BOD item No.38.5. Further, IRCON has physically handed over the track including spare/surplus P.way materials to ECoR.

F) Status of Revenue apportionment :-

During the Year 2024-25, 1st user fee of Rs.2,08,31,420/- was received on 29.04.2024 for the month of July' 2023 to Aug' 2023 and 2nd user fee of Rs.3,47,38,886/- was received on 05.06.2024 for the month of Jan' 2024 to Mar' 2024. 3rd user fee of Rs.1,80,29,490/- was received on 25.07.2024 for the month of Apr' 24 and 4th user fee of Rs.2,49,33,001/- was received on 27.08.2024 for the month of Sept 23 and Oct 2023. GST apportionment of Rs.3,71,93,887/- was received on 05.09.2024 for the month of Nov'22 to Mar'24. 5th user fee of Rs.4,31,30,682/- was received on 25.09.2024 for the month of Nov'23,Dec'23 and May'24.

6th user fee of Rs.6,05,75,028/- was received on 26.11.2024 for the month of June'24 to Aug'24. 7th user fee of Rs.3,48,23,472/- was received on 27.01.2025 for the month of Sept'24 and Oct'24.

8th user fee of Rs.1,79,98,903/- was received on 17.02.2025 for the month of Nov'24. 9th user fee of Rs.1,87,59,205/- was received on 07.03.2025 for the month of Dec'24.

Cumulative Revenue apportionment received since 01.04.2024 from ECoR up to 31st Mar' 2025 is Rs.31,10,13,974/- and has been invested in fixed deposit.

3. CAPITAL STRUCTURE:

The authorized and paid up capital of the Company Rs.100,00,00,000/- (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) equity shares of Rs. 10 each. The paid up capital of the Company as on 31.03.2025 is Rs. 90,00,50,000/-.

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

Sl.	Name of the Promoter Company	Shareholding pattern as on 31.03.2025	Shareholding pattern as on 31.03.2024
1	Mahanadi Coalfields Limited	71.107%	71.107%
2	IRCON International Limited	28.887%	28.887%
3	Odisha Industrial Infrastructure Development Corporation	0.006%	0.006%
	Total	100%	100%

4. FINANCIAL RESULTS:

Financial Results for the financial year 2024-25 are given below:

Particulars	For the Year ended on 31.03.2025 (Rs in Lakh)
Income for the year	2716.82
Expenditure for the year excluding Depreciation and Amortization Exp.	1402.29
Profit or Loss before Depreciation and Amortization Exp.	1314.53
Less: Depreciation and Amortization Exp.	1014.71
Profit or Loss after Depreciation and Amortization Exp. but before Tax	299.82
Less: Current Tax	0.00
Less: Tax Expenses (Deferred Tax)	(25.78)
Profit or Loss after Tax	274.04

Phase -I of the project is commercially notified by Railway on 21.08.2023 and revenue sharing started from September 2023 (Accrued from Nov, 2022), The expenses related to Phase -I was charged to Statement of Profit & Loss. The Phase – II of the project operational activities have not yet been started. Hence, all the expenditure incurred by the Company, which is directly attributable to Phase -II of the Project during F.Y. 2024-25, has been capitalized and other indirect expenses has been charged to “Profit and Loss Statement”. The Company has taken Rs.29250/- Lakh as Interest free Loan from Mahanadi Coalfields Limited (Holding Company) and IRCON.

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

5. DIVIDEND:

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

6. RESERVES:

The Company didn't transfer any amount in Reserves.

7. CONTRIBUTION TO THE EXCHEQUER: NIL

8. SUBSIDIARY/ JV COMPANIES:

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

9. DEPOSITS:

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

10. RISK MANAGEMENT:

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

11. RELATED PARTY TRANSACTION:

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

12. PARTICULARS OF LOANS GURANTEES OR INVESTMENTS:

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

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

14. RIGHT TO INFORMATION

Your Company has set an elaborate mechanism in the organization to deal with the request received under the Right to Information (RTI) Act, 2005. The statistics of information sought under RTI during the year 2024-25 is Nil.

15. INFORMATION UNDER SECTION 134(3)(q), SECTION 143(3)(i) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(viii) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING ADEQUACY OF INTERNAL FINANCIAL CONTROLS.

The Company has in place adequate financial controls with reference to financial reporting in compliance with the provisions of the Companies Act, 2013 and such internal financial controls over financial reporting were operating effectively.

16. INFORMATION UNDER SECTION 134(3)(q), SECTION 143(3)(i) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(5)(vii) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE.

During the FY 2024-25, there were no Significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's operations in future.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility) Rules, 2014, the CSR Committee is not required to the company. The Company has reported loss till date. Accordingly, no provision of CSR expenditure has been done and hence, the Annual Report on CSR activities is not included with Board's Report.

18. STATUTORY DISCLOSURE BY DIRECTORS

None of the Directors of your Company is disqualified as per provisions of Section 164 of the Companies Act, 2013.

19. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

During the year under report, no fraud was reported by Statutory Auditors of the Company.

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

The Board is in the process of constituting an Internal Complaints Committee pursuant to Section 4 of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and also formulating the Anti-Sexual Harassment Policy, pursuant to Rule 13(a) of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Rules, 2013.

All employees are be covered under this policy. It is informed that the Board has not received any sexual harassment complaints during the year 2024-25.

21. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

22. CORPORATE GOVERNANCE

Management at the Company has been committed towards maintaining high standards of Corporate Governance to ensure transparency and accountability at all levels protecting the interest of all the stakeholders. The Company complies with the conditions of Corporate Governance as

stipulated under the Companies Act as. The Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Ministry of Finance, Government of India, have been complied with to the maximum extent possible.

23. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

There are no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

24. AUDITORS:

Under Section 139 of the Companies Act, 2013, the following Audit Firm was appointed as Statutory Auditor of the Company for the financial year 2024-25:

M/s Mishra Badhai & Associates, Chartered Accountants, Sambalpur, Odisha.

Under Section 204 of the Companies Act 2013, the following Firm was appointed as Secretarial Auditor of the Company to conduct the secretarial audit for the year 2024-25:-

M/s Sushanta Pradhan & Associates, Practicing Company Secretary, Building No.F/3, Sahayog Nagar, Budharaja, Sambalpur, Odisha-768004.

25. BOARD OF DIRECTORS:

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

The Composition of Board of Directors as on 31.03.2025 is as under:

Sl. No.	Name	Designation	Date of Appointment
1.	Shri Keshav Rao	Chairman	01.11.2023
2.	Shri A. K. Behura	Director	01.11.2023
4.	Shri S. K. Sinha	Director	21.07.2023
5.	Shri Ragni Advani	Director	26.05.2022
6.	Shri Parag Verma	Director	21.07.2023
7.	Shri S. K. Sethi	Director	01.11.2023
8.	Shri P. R. Parhi	Director	09.05.2022

26. BOARD MEETINGS:

The Board met six (06) times during the financial year 2024-25 on 15.04.2024, 12.07.2024, 22.07.2024, 10.10.2024, 09.10.2024 and 09.01.2025. The details of the Board meetings and Directors attendance held during the financial year are given as under.

Sl. No.	Name of Directors	Category	Held during the tenure	Attended
1	Shri Keshav Rao	Non-Executive Director	6	6
2	Shri A. K. Behura	Non-Executive Director	6	6
3	Shri S. K. Sinha	Non-Executive Director	6	6
4	Shri Ragni Advani	Non-Executive Director	6	4

5	Shri Parag Verma	Non-Executive Director	6	3
6	Shri S. K. Sethi	Non-Executive Director	6	2
7	Shri P. R. Parhi	Non-Executive Director	6	1

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

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

28. INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, REGARDING EMPLOYEES REMUNERATION:

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

29. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a. That in the preparation of the Annual Accounts for the Financial Year ended 31.03.2025, the applicable Accounting Standards have been followed (except as disclosed in the Additional Notes on Accounts) along with proper explanation relating to material departures.
- b. That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for the year under review.
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the Directors have prepared the Accounts for the Financial Year ended 31.03.2025 on a 'Going Concern' basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. BANKER'S NAME AND ADDRESS:

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

31. C & A G COMMENTS:

Comments of the Comptroller & Auditor General of India on the Accounts of the Company for the year ended 31st March, 2025 is annexed herewith.

32. AUDITOR'S REPORT:

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

33. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form No. MGT-7) is uploaded on the website of MCL in the link: http://www.mahanadicoal.in/Financial/anual_report.php

34. ACKNOWLEDGEMENT:

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

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

Your Directors also record their appreciation for the services rendered by the Officers and staff of the Director General of Audit (Coal), O/o the Comptroller & Auditor General of India and Registrar of Companies, Odisha.

35. ADDENDA:

The following documents are annexed:

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

Sd/-

Date: 13/08/2024
Place: Sambalpur

(Keshav Rao)
Chairman

Annexure – I

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

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

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy: NIL
- (ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- (iii) The capital investment on energy conservation equipments: NIL

(B) Technology absorption-

- (i) The efforts made towards technology absorption: NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- : NIL
- (iv) The expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

The Company's has been incorporated on 31st August, 2015 and there are not any transaction w.r.t foreign exchange earnings or Outgo.

(Rs in Lakhs)

Particulars	2024-25
Total Foreign Exchange Received (F.O.B. Value of Export)	-
Total Foreign Exchange used:	
i) Raw Materials	-
ii) Consumable Stores	-
iii) Capital Goods	-
iv) Foreign Travels	-
v) Others	-



MISHRA BADHAI & ASSOCIATES

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☎ : 0663-2541921, 9437083671, 9437083673
E-mail : mba_ca@rediffmail.com
mbacasbp@gmail.com

To,
The Members of
Mahanadi Coal Railway Limited

REVISED INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying standalone financial statements of **MAHANADI COAL RAILWAY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss, Statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2025 and its profit, changes in Equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements

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

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

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

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prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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



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We had issued an audit report dated 11.04.2025 (the original report) at Sambalpur on the Financial Statements as adopted by the Board of Directors. Pursuant to the observations of the Comptroller and Auditor General of India, we have revised the said audit report. This audit report supersedes the original report which has been suitably revised to consider the observations of the Comptroller and Auditor General of India regarding typing mistakes and to remove the contradictions in Annexure -1. Our audit procedure on events subsequent to the date of original report is restricted solely to the amendment made to the item mentioned in this paragraph.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-1", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure-2" on the directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS Financial Statements.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii. The Balance Sheet, the Statement of Profit and Loss, the statement of changes in Equity and the Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account.
 - iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- v. We are informed that the provision of section 164(2) of the Act in respect of disqualification of the directors are not applicable to the company, being a Government Company in the terms of notification no G.S.R 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs.
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-3". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - a. As explained to us the Company does not have any pending litigation which would impact its financial position.
 - b. As explained to us the Company has not entered into any derivative contracts and the Company has not foreseen any material losses on long term contracts, hence no provision has been made on this account.
 - c. The Company is not required to transfer any amount to Investor Education & Protection Fund as required under section 125(2) of the Companies Act, 2013, the delay in transferring any amount to the Fund does not arise.
 - d. As informed to us by the Company, the Company does not have any long term contracts having material foreseeable losses as such the Company has not made any provision for such losses.



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- (iv) (a) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the financial statements, if any, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented to us, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the Financial Statements, if any, no funds have been received by the Branch from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv) (a) and (iv) (b) above contain any material misstatement.
- (v) The Company has not declared or paid dividend during the period. The provisions of subsection (1) and (4) of section 123 of the Act are not applicable to the government Company vide notification no. GSR463(E), dated 5th June 2015.



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- (vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. During verification on test checks basis it is observed that the company has retained the record for the financial year ended March 31, 2025.

Place: Sambalpur
Date: 28/05/2025
UDIN: 25054940BMIXTM3590



For Mishra Badhai & Associates

Chartered Accountants.

FRN:320053E

[S K BADHAI]

Partner

M. No. 054940



MISHRA BADHAI & ASSOCIATES

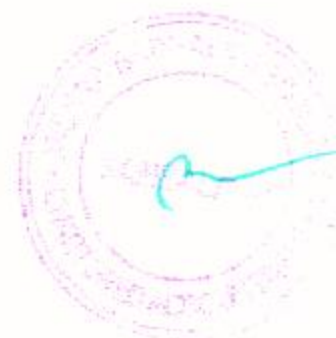
CHARTERED ACCOUNTANTS

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Annexure-1 to the Independent Auditor's Report

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Mahanadi Coal Railway Limited on the Ind AS financial statements for the year ended 31st March, 2025, we report that:

- (i) In respect of Company's Property, Plant and Equipment and Intangible Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right-of-use assets in Excel Sheet.
 - b) As per information available the Property Plant and Equipment and right-of-use assets of the company have physically verified by the management during the year and no material discrepancy was noticed on such verification and in our opinion the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - c) According to the information and explanations given to us the company does not hold any immovable property and hence no title deeds are held.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2025 for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- (ii)
 - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - a. The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.



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- (iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year.
- a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - b) The Company has not made any investments during the year under audit. Hence, reporting under this clause is not applicable.
 - c) The Company has not provided any loans during the year under audit. As such details of repayment of the principal amount and the payment of the interest is not required. Hence, reporting under this clause is not applicable.
 - d) The Company has not provided any loans during the year under audit. As such no amount is overdue in these respect. Hence, reporting under this clause is not applicable.
 - e) No loan or advance in the nature of loan has been granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties. Hence, reporting under this clause is not applicable.
 - f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms Limited Liability Partnerships or any other parties.

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



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- (v) The Company has not accepted any deposit within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Hence reporting under clause 3(v) of the Order is not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order is not applicable.
- (vi) In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There is no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable
- b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales tax, Goods and Service Tax, customs duty, central excise duty and value added tax which has not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.
- (ix) a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) The Company has not raised any funds on short term basis during the year hence, reporting under clause 3(ix)(d) of the Order is not applicable.



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- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x)
- a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
- a) No fraud by the Company and material fraud on the Company has been noticed or reported during the year.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to date of this report.
 - c) As per the information and explanations provided to us by the Company no whistle blower complaints has been received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi company hence reporting under clause (xi) of the Order is not applicable.
- (xiii) The company being a Central government-controlled enterprise and having related party transactions has disclosed relevant particulars as required under Paragraph 26 of Ind AS 24.
- (xiv)
- a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
 - b) We have considered the reports of the Internal Auditors for the period under audit.



MISHRA BADHAI & ASSOCIATES

CHARTERED ACCOUNTANTS

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-I A of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence reporting under clause 3(xvi)(a),(b),(c) and (d) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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- (xx) The provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility (CSR) are not applicable to the Company. Hence reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

Place: Sambalpur
Date: 28/05/2025
UDIN: 25054940BMIXTM3590



For Mishra Badhai & Associates

Chartered Accountants.

FRN:320053E

S K Badhai

[S K BADHAI]

Partner

M. No. 054940



MISHRA BADHAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Near Astha Nursing Home,
Ainthapali, Sambalpur - 768 004, Odisha,
☎ : 0663-2541921, 9437083671, 9437083673
E-mail : mba_ca@rediffmail.com
mbacasbp@gmail.com

**Annexure-2 to the Independent Auditor's Report
Report pursuant to Direction u/s 143(5) of the Companies Act, 2013 to
Statutory Auditors for the year 2024-25**

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

For Mishra Badhai & Associates

Chartered Accountants.

FRN:320053E

[S K BADHAI]

Partner

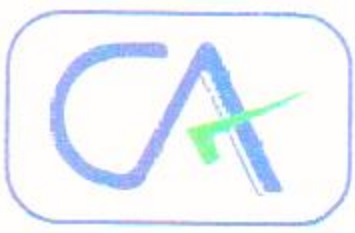
M. No. 054940

Place: Sambalpur

Date: 28/05/2025

UDIN: 25054940BMIXTM3590





MISHRA BADHAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Near Astha Nursing Home,
Ainthapali, Sambalpur - 768 004, Odisha,
☎ : 0663-2541921, 9437083671, 9437083673
E-mail : mba_ca@rediffmail.com
mbacasbp@gmail.com

Annexure-3 to the Independent Auditor's Report

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

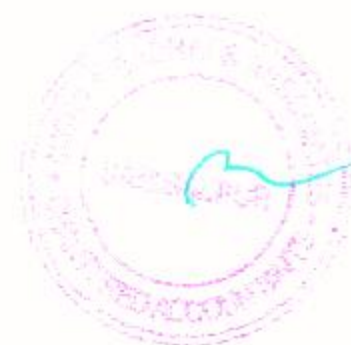
We have audited the internal financial controls over financial reporting of Mahanadi Coal Railway Limited ('the Company') as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended and as on date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance



MISHRA BADHAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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



MISHRA BADHAI & ASSOCIATES

CHARTERED ACCOUNTANTS

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Sambalpur
Date: 28/05/2025
UDIN: 25054940BMIXTM3590



For Mishra Badhai & Associates

Chartered Accountants.

FRN:320053E

[S K BADHAI]

Partner

M. No. 054940



Annexure – III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2024-25

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

To,
The Members,
Mahanadi Coal Railway Limited,
M/s. Mahanadi Coalfields Limited,
Corporate Office, MCL HQ, MDF Room,
Po. Jagruti Vihar, Burla,
Sambalpur, Orissa – 768020.
India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Mahanadi Coal Railway Limited (hereinafter called 'the Company') for the financial year ended 31st March, 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act), and the Rules made there under;
 - (ii) The Companies Act, 1956 and Rules made there under, to the extent for specified sections not yet notified;
 - (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under. Not applicable during the period under review.



- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; Not applicable during the period under review.
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not applicable during the period under review.
- (vi) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') - Not applicable during the period under report.
- (vii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable during the period under review.
- (viii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - Not applicable during the period under review.
- (ix) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable during the period under review.
- (x) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not applicable during the period under review.
- (xi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the period under review.
- (xii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable during the period under review.
- (xiii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable during the period under review.
- (xiv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable during the period under review.

2. We have relied on the representation made by the Company and its Officers for systems and mechanism adopted by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major heads/groups of Acts, Laws and Regulations as applicable to the Company like:

- a. Factories Act, 1948;
- b. Industrial Disputes Act, 1947;
- c. Industrial Laws relating to Trade Unions, Apprentices, Industrial employment, Motor transport workers, etc.
- d. Acts prescribed related to Mining activities;
- e. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, bonus, gratuity, provident fund, ESIC, compensation, maternity benefits, labour welfare, etc;
- f. Act prescribed under Environment and conservation;
- g. Business Laws relating to Contracts, Stamps, Competitions etc.



We further report that:

The Board of Directors of the Company have been duly constituted as required under the provisions of the Act. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions are carried out unanimously while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that on the basis of documents and explanations provided by the Management, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sushanta Pradhan & Associates
Company Secretaries

CS Sushanta Pradhan
M. Number: 29239
C.P Number: 14238
UDIN: A029239G000971598

Place: Sambalpur
Date: 10.08.2025

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.



Annexure A

To,
The Members,
Mahanadi Coal Railway Limited,
M/s. Mahanadi Coalfields Limited,
Corporate Office, MCL HQ, MDF Room,
Po. Jagruti Vihar, Burla,
Sambalpur, Orissa – 768020.
India.

Our report of event date is to be read along with this letter:

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



For Sushanta Pradhan & Associates
Company Secretaries

S. Pradhan

CS Sushanta Pradhan
M. Number: 29239
C.P Number: 14238
UDIN: A029239G000971598

Place: Sambalpur
Date: 10.08.2025


**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF MAHANADI COAL RAILWAY LIMITED FOR
THE YEAR ENDED 31 MARCH 2025**

The preparation of financial statements of Mahanadi Coal Railway Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 28 May 2025 which supersedes their earlier Audit Report dated 11 April 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Mahanadi Coal Railway Limited for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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


(Yashodhara Ray Chaudhuri)
Director General & ADAI
Kolkata

Place: Kolkata
Dated: 03 June 2025



2024-25

Financial Statement

MAHANADI COAL RAILWAY LIMITED

(A subsidiary of Mahanadi Coalfields Limited)

**Regd. Office: MCL, JagrutiVihar,
Sambalpur, Odisha-768020**

MAHANADI COAL RAILWAY LIMITED
Balance Sheet as on 31st March, 2025

(₹ in lakhs)

Balance Sheet

	NOTE NO.	<u>31.03.2025</u>	<u>31.03.2024</u>
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3.1	0.71	9.96
Capital work in progress	3.2	-	-
Exploration and Evaluation Assets	3.3	-	-
Intangible Assets	3.4	28,508.54	28,692.33
Intangible Assets under Development	3.5	2,712.92	2,619.62
Financial Assets			
Investments	4.1	-	-
Loans	4.2	-	-
Other Financial Assets	4.6	-	-
Deferred Tax Assets (Net)	11.2	-	-
Non-Current Tax Assets (Net)	11.1	-	-
Other Non-Current Assets	6.1	8,923.58	9,276.31
TOTAL NON-CURRENT ASSETS		<u>40,145.76</u>	<u>40,598.22</u>
Current Assets			
Inventories	5.1	-	-
Financial Assets			
Investments	4.1	-	-
Trade Receivables	4.3	673.31	1,367.51
Cash and Cash equivalents	4.4	4,956.70	3,181.40
Other Bank Balances	4.5	-	-
Loans	4.2	-	-
Other Financial Assets	4.6	7.54	6.12
Current Tax Assets (Net)	11.1	28.00	8.18
Other Current Assets	6.2	-	56.92
TOTAL CURRENT ASSETS		<u>5,665.55</u>	<u>4,620.13</u>
TOTAL ASSETS		<u><u>45,811.31</u></u>	<u><u>45,218.35</u></u>



MAHANADI COAL RAILWAY LIMITED
Balance Sheet as on 31st March, 2025

(₹ in lakhs)


Balance Sheet

		NOTE NO.	31.03.2025	As at 31.03.2024
<u>EQUITY AND LIABILITIES</u>				
Equity				
Equity Share Capital		7.1	9,000.50	9,000.50
Instruments entirely equity in nature			29,250.00	29,250.00
Other Equity		7.2	(20.96)	(294.99)
Equity attributable to equityholders of the company			38,229.54	37,955.51
Non-Controlling Interests		7.3	-	-
TOTAL EQUITY			38,229.54	37,955.51
Liabilities				
Non-Current Liabilities				
Financial Liabilities	Borrowings	8.1	-	-
	Lease Liabilities	8.2	-	-
	Other Financial Liabilities	8.4	-	-
Provisions		9.1	-	-
Deferred Tax Liabilities (Net)		11.2	25.78	-
Other Non-Current Liabilities		10.1	-	-
TOTAL NON-CURRENT LIABILITIES			25.78	-
Current Liabilities				
Financial Liabilities	Borrowings	8.1	-	-
	Lease Liabilities	8.2	-	-
	Trade Payables	8.3	-	-
	Total outstanding dues of micro, small and medium enterprises; and		-	-
	Total outstanding dues of Creditors other than micro, small and medium		949.48	155.32
	Other Financial Liabilities	8.4	6,591.39	7,103.53
Other Current Liabilities		10.2	15.12	4.00
Provisions		9.1	-	-
Current Tax Liabilities (Net)		11.1	-	-
TOTAL CURRENT LIABILITIES			7,555.99	7,262.84
TOTAL EQUITY AND LIABILITIES			45,811.31	45,218.35

The Accompanying Note No. 1 to 16 form an integral part of the Financial Statements.

For and behalf of Board of Directors

As per our Audit report annexed


(S. K. Behera)

Company Secretary


(B. K. Parida)

Chief Financial Officer



(S. Nayak)


Chief Executive Officer

For Mishra Badhai & Associates

Chartered Accountants

Firm Reg. No. - 322053E


(S. K. Sinha)
Director
DIN: 10368492


(Keshav Rao)
Chairman
DIN: 08651284




(CA Sushil Kumar Badhai)
Partner
(Membership No. 054940)

Date: 11.04.2025

Place: Sambalpur

MAHANADI COAL RAILWAY LIMITED
For the Year ended on 31st March, 2025

Statement of Profit and Loss

		(₹ in lakhs)	
	Note No.	For the year ended on 31.03.2025	For the year ended 31.03.2024
Revenue from Operations (Net of levies)			
Sales	12.1	-	-
Other Operating Revenue	12.1	2,415.94	2,093.08
Revenue from Operations (Net of levies)		2,415.94	2,093.08
Other Income	12.2	300.88	109.82
Total Income		2,716.82	2,202.90
Expenses			
Cost of Materials Consumed	13.1	-	-
Purchase of Stock-in-Trade	13.1(a)	-	-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	13.2	-	-
Employee Benefits Expense	13.3	112.78	146.27
Finance Costs	13.4	339.67	822.86
Depreciation/Amortization/Impairment	13.5	1,014.71	1,200.31
Stripping Activity Adjustment	13.6	-	-
Contractual Expense	13.7	10.51	17.65
Other Expenses	13.8	939.34	173.92
Total Expenses		2,417.00	2,361.01
Profit before Share of Joint Venture profit/(loss)		299.82	(158.11)
Share of Joint Venture profit/(loss)		-	-
Profit before Tax		299.82	(158.11)
Tax Expense	14.1		
Current Tax		-	-
Deferred Tax		25.78	-
Total tax expenses		25.78	-
Profit for the Period		274.04	(158.11)



MAHANADI COAL RAILWAY LIMITED

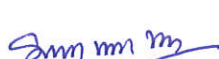
For the Year ended on 31st March, 2025

Statement of Profit and Loss

	Note No.	For the year ended on 31.03.2025	For the year ended 31.03.2024
			(₹ in lakhs)
Other Comprehensive Income	15.1		
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income (Comprising Profit and Other Comprehensive Income for the period)		274.04	(158.11)
Profit attributable to:			
Owners of the company		274.04	(158.11)
Non-controlling interest		-	-
		<u>274.04</u>	<u>(158.11)</u>
Other Comprehensive Income attributable to:			
Owners of the company		-	-
Non-controlling interest		-	-
		<u>-</u>	<u>-</u>
Total Comprehensive Income attributable to:			
Owners of the company		274.04	(158.11)
Non-controlling interest		-	-
		<u>274.04</u>	<u>(158.11)</u>
Earnings per equity share (Face value ₹ 10 each):			
Basic		0.30	(0.18)
Diluted		0.30	(0.18)

The Accompanying Note No. 1 to 16 form an integral part of the Financial Statements.

For and behalf of Board of Directors


(S. K. Behera)

Company Secretary


(B. K. Parida)

Chief Financial Officer


(S. Nayak)

Chief Executive Officer



(S. K. Sinha)

Director

DIN: 10368492


(Keshav Rao)

(Keshav Rao)

Chairman

DIN: 08651284



As per our Audit report annexed

For Mishra Badhai & Associates

Chartered Accountants

Firm Reg. No. - 322053E



(CA Sushil Kumar Badhai)

Partner

(Membership No. 054940)

Date: 11.04.2025

Place: Sambalpur

STATEMENT OF CHANGES IN EQUITY

MAHANADI COAL RAILWAY LIMITED

A. EQUITY SHARE CAPITAL

As at 31.03.2025

(₹ in lakhs)

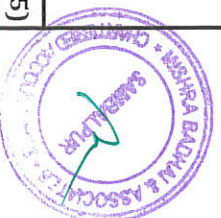
Particulars	Balance as at 01-04-2024	Changes in equity share capital during the current period	Balance as at 31.03.2025
90005000 Equity Shares of ₹ 10/- each fully paid up	9,000.50	-	9,000.50

As at 31.03.2024

Particulars	Balance as at 01-04-2023	Changes in equity share capital during the current year	Balance as at 31.03.2024
90005000 Equity Shares of ₹ 10/- each fully paid up	9,000.50	-	9,000.50

B. OTHER EQUITY

Particulars	Reserves and Surplus				Exchange differences in translating the financial statements of a foreign subsidiary (OCI)	Total
	Capital Redemption reserve	General Reserve	Retained Earnings	OCI - Remeasurement of Defined Benefits Plans (net of Tax)		
Balance as at 01.04.2024	-	-	(294.99)	-	-	(294.99)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated Balance as at 01.04.2024	-	-	(294.99)	-	-	(294.99)
Total Comprehensive Income for the period	-	-	274.04	-	-	274.04
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	-
Adjustments during the period	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	-	-	-
Buy Back of Shares	-	-	-	-	-	-
Tax on Buy back	-	-	-	-	-	-
Issue of Bonus Shares	-	-	-	-	-	-
Balance as at 31.03.2025	-	-	(20.95)	-	-	(20.95)



Particulars	Reserves and Surplus				Exchange differences in translating the financial statements of a foreign subsidiary (OCI)	Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	OCI - Remeasurement of Defined Benefits Plans (net of Tax)		
Balance as at 01.04.2023	-	-	(136,88)	-	-	(136,88)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated Balance as at 01.04.2023	-	-	(136,88)	-	-	(136,88)
Total Comprehensive Income for the year	-	-	(158,11)	-	-	(158,11)
Interim Dividend	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	-	-	-
Buy Back of Shares	-	-	-	-	-	-
Tax on Buy back	-	-	-	-	-	-
Issue of Bonus Shares	-	-	-	-	-	-
Balance as at 31.03.2024	-	-	(294,99)	-	-	(294,99)

Refer Note 7.2 for dividend and the nature and purpose of Reserves and Surplus.
The Accompanying Note No. 1 to 16 form an integral part of the Financial Statements.

For and behalf of Board of Directors

Sun m
(S. K. Behera)
Company Secretary

B. K. Parida
(B. K. Parida)
Chief Financial Officer

S. Nayak
(S. Nayak)
Chief Executive Officer

(S. K. Sinha)
(S. K. Sinha)
Director
DIN: 10368492

Keshav Rao
(Keshav Rao)
Chairman
DIN: 08651284

As per our Audit report annexed

For Mishra Badhai & Associates
Chartered Accountants
Firm Reg. No. - 322053E



Sushil Kumar Badhai
(CA Sushil Kumar Badhai)
Partner
(Membership No. 054940)

Date: 11.04.2025
Place: Seembadpur

STATEMENT OF CASH FLOW

(₹ in lakhs)

	For the year ended on 31.03.2025	For the year ended 31.03.2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	299.82	(158.11)
Adjustments for :		
Share of Joint Venture	-	-
Depreciation, amortisation and impairment expenses	1,014.71	1,200.31
Interest and dividend income	(300.88)	(109.79)
Finance Costs	339.67	822.86
(Profit)/Loss on sale of Property, Plant and Equipment	-	-
Liability and provision written back (Net)	-	-
Allowance for trade Receivables	-	-
Other allowances and write off	5.48	-
Stripping Activity Adjustment	-	-
Foreign Exchange rate variance	-	-
Cash flows from operating activities before changes in following assets and liabilities	1,358.81	1,755.27
Adjustment for :		
Trade Receivables	694.20	(1,367.51)
Inventories	-	-
Loans and Advances and other assets	412.13	(57.78)
Financial and Other Liabilities	(840.69)	3,847.47
Trade Payables	794.16	125.37
Cash Generated from Operation	2,418.60	4,302.82
Income Tax (Paid)	(19.82)	(7.60)
Net Cash Flow generated from Operating Activities (A)	2,398.78	4,295.22
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipments and Intangible assets	(920.46)	(1,286.59)
Sale proceeds from Property, Plant and Equipment	-	-
Addition in Exploration and Evaluation Asset	-	-
Proceeds/(Investment) in Bank Deposit	-	-
Proceeds/(Investment) in Mutual Fund, Shares etc.	-	-
Payment for Equity in Joint Venture	-	-
Interest from Investment	296.98	107.00
Interest / Dividend received from Mutual Fund	-	-
Investment in Mutual Fund Investments	-	-
Net Cash used in Investing Activities (B)	(623.48)	(1,179.59)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from /(Repayment of) non current borrowings	-	-
Proceeds from /(Repayment of) current borrowings	-	-
Repayment of lease liabilities (including interest)	-	-
Interest paid	-	-
Receipt of Shifting and Rehabilitation Fund	-	-
Dividend paid on Equity shares	-	-
Buyback of Equity Share Capital	-	-
Tax on Buyback of Equity Share Capital	-	-
Net Cash used in Financing Activities (C)	-	-
Net Increase / (Decrease) in Cash and Cash equivalent (A+B+C)	1,775.30	3,115.61
Cash and Cash equivalent as at the beginning of the year	3,181.40	65.78
Cash and Cash equivalent as at the end of the period	4,956.70	3,181.39
Reconciliation of Cash and Cash equivalents (Refer Note 4.4)		
Cash and Cash equivalents (Net of bank Overdraft)	4,956.70	3,181.40



STATEMENT OF CASH FLOW

(₹ in lakhs)

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Components of Cash and Cash Equivalents		
(a) Balances with Banks		
- in Deposit Accounts	4,954.51	3,178.03
- in Current Accounts	2.19	3.37
- interest bearing (CLTD A/c Etc.)		
- Non- interest bearing		
- in Cash Credit Accounts		
(b) Bank Balances outside India	-	-
(c) ICDs with Primary Dealers	-	-
(d) Cheques, Drafts and Stamps in hand	-	-
(e) Cash in hand	-	-
(f) Cash on hand outside India	-	-
(g) Bank Overdraft	-	-
(g) Others ^{e-procurement account/GeM account/Imprest balances}	-	-
Total (Refer note 4.4 and note 8.1 for components of Cash and Cash Equivalents)	4,956.70	3,181.40

1. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

For the year ended on 31.03.2025			
Particulars	Non-current Borrowings*	Finance Lease Liabilities	Current borrowings
Opening balance as at 1 April 2024	-	-	-
Cash flows during the year	-	-	-
Non-cash changes due to:			
Acquisitions under finance lease	-	-	-
Interest on borrowings	-	-	-
Variation in exchange rates	-	-	-
Transaction costs on borrowings	-	-	-
Closing balance as at 31st March 2025	-	-	-

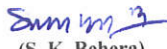
For the year ended 31 March 2024			
Particulars	Non-current Borrowings*	Finance Lease Liabilities	Current borrowings
Opening balance as at 1 April 2023	-	-	-
Cash flows during the year	-	-	-
Non-cash changes due to:			
Acquisitions under finance lease	-	-	-
Interest on borrowings	-	-	-
Variation in exchange rates	-	-	-
Transaction costs on borrowings	-	-	-
Closing balance as at 31 March 2024	-	-	-

* Includes current maturities of non-current borrowings and interest accrued thereon, refer Note 8.1

2 The above statement of cash flow is prepared in accordance with the Indirect Method prescribed in Ind AS 7 - 'Statement of Cash flows.'

The Accompanying Note No. 1 to 16 form an integral part of the Consolidated Financial Statements.

For and behalf of Board of Directors


(S. K. Behera)
Company Secretary


(B. K. Parida)
Chief Financial Officer


(S. Nayak)
Chief Executive Officer

As per our Audit report annexed

For Mishra Badhai & Associates
Chartered Accountants
Firm Reg. No. - 322053E


(S. K. Sinha)
Director
DIN: 10368492


(Keshav Rao)
Chairman
DIN: 08651284




(CA Sushil Kumar Badhai)
Partner
(Membership No. 054940)

Date: 11.04.2025
Place: Sambalpur

MAHANADI COAL RAILWAY LIMITED
(A Subsidiary of MCL)

NOTES TO THE FINANCIAL STATEMENTS

Note: 1

A. CORPORATE INFORMATION

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

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

B. Statement of Compliance and Recent Accounting Pronouncement

i) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"). The Ind AS issued, notified and made effective till the financial statements are authorized and have been considered for the purpose of preparation of these financial statements.

The accounting policies are applied consistently except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Application of new and revised standards

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, from time to time. MCA has not notified any new standards or amendments to the existing standards which are effective from 1 April 2025.

Note 2: MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments that are measured in terms of relevant Ind AS at amortized costs or fair value at the end of each reporting period.



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Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. The Financial Statements are presented in Indian Rupees (₹) and all values are rounded off to the 'rupees in lakh' up to two decimal points.

2.2 Current and Non-Current Classification

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

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;
 - (b) it holds the liability primarily for the purpose of trading;
 - (c) the liability is due to be settled within twelve months after the reporting period; or
 - (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- All other liabilities are classified as non-current.

Having regard to the nature of the business being carried out by the Company, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.3 Revenue recognition

Revenue from contracts with customers

Revenue is principally derived from the User fees from Railways. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, and the risks of loss have been transferred in accordance with the sales contract. The amount of revenue recognized reflects the consideration to which the Company is or expects to be entitled in exchange for those goods or services. Accumulated experience is used to estimate and provide for the variable consideration as per the sales contract, using the most likely method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The amount of consideration does not contain a significant financing component as payment terms are less than one year as per the sales contracts.

Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. 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 the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends



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Dividend is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Claims

Revenue in respect of Other claims (including interest on delayed realization from customers) are recognized only when there is reasonable certainty as to the ultimate collection and the amount can be measured reliably.

2.4 Grants from Government

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

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related expenses or costs for which the grants are intended to compensate.

Government Grants related to assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in Statement of Profit and Loss on systematic basis over the useful life of asset.

Grants related to income (i.e. grant related to other than assets) are presented as part of statement of profit and loss under the head 'Other Income'.

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

The Government grants or grants in the nature of promoter's contribution is recognised directly in "Capital Reserve" which forms part of the "Shareholders fund".

2.5 Leases

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

2.5.1 Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a 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 an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the commencement date, a lessee shall recognise a right-of-use asset at cost and a lease liability at the present value of the lease payments that are not paid at that date for all leases unless the lease term is 12 months or less or the underlying asset is of low value.

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



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The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of these leases. Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows. Lease liability obligations is presented separately under the head "Financial Liabilities".

Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless the costs are included in the carrying amount of another asset applying other applicable standards.

Right-of-use asset is depreciated over the useful life of the asset, if the lease transfers ownership of the asset to the lessee by the end of the lease term or if the cost of the right-to-use asset reflects that the lessee will exercise a purchase option. Otherwise, the lessee shall depreciate the right-to-use asset 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.

2.5.2 Company as a lessor

Assets are given on lease either as finance lease or operating lease.

Finance Lease: A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially, asset held under finance lease is recognised in Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

Operating Lease: A lease which is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight line basis.

2.6 Non-current assets held for sale

The Company classifies non-current assets and (or disposal groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected to be completed within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current asset or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.



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2.7 Property, Plant and Equipment (PPE) and Depreciation

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. Cost of land includes expenditures which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation in lieu of employment incurred for concerned displaced persons etc.

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

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

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

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

(d) Interest on Borrowings utilized to finance the construction of qualifying assets are capitalised as part of cost of the asset until such time that the asset is ready for its intended use.

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

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

Subsequent cost of replacing parts which are significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

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

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

Other Land	
(incl. Leasehold Land)	: Life of the project or lease term whichever is lower
Building (incl. Roads)	: 3-60 years



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Telecommunication	: 3-9 years
Railway Sidings	: 15 years
Plant and Equipment	: 1-40 years
Computers and Laptops	: 3 Years
Office equipment	: 3-5 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

Based on technical evaluation, the management believes that the useful lives given above best represent the period over which the management expects to use the asset. Hence the useful lives of the assets may be different from the useful lives as prescribed under Part C of Schedule II of the companies act, 2013.

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

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except for some items of assets such as other land, site restoration asset, other mining infrastructure, surveyed off assets. Useful life has been technically estimated to be one year with nil residual value for items such as Coal tub, winding ropes, haulage ropes, stowing pipes and safety lamps etc.

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

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

Assets that are fully depreciated and retired from active use are disclosed separately as surveyed off assets at its residual value under Property, Plant Equipment and are tested for impairment.

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

Transition to Ind AS

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

2.8 Development Expenditure

Commercial Operation

The project/mines are brought to revenue; when commercial readiness of a project to yield production on a sustainable basis is established either on the basis of conditions specifically stated in the project report or on the basis of the Concession Agreement.

2.11 Intangible Assets & Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes any directly attributable expenses necessary to make the assets ready for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.



MAHANADI COAL RAILWAY LIMITED
(A Subsidiary of MCL)

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Company and the cost of the item can be measured reliably.

An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the 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.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit and loss and other comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Amortisation of intangible asset is provided on straight line basis over the estimated useful lives of the intangible asset as follows:

<u>Intangible Assets</u>	<u>Useful Life</u>
SAP/ERP	: 6 years
Other Computer Software	: License period
Rail Corridor	: Life as per MoU contract period

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

Exploration and Evaluation assets attributable to blocks identified for sale or proposed to be sold to outside agencies (i.e. for blocks not earmarked for CIL) are however, classified as Intangible Assets and tested for impairment.

Expenditure on research is charged to expenditure as and when incurred. Expenditure on development is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to & has sufficient resources to complete development and to use or sell the asset.

2.12 Impairment of Assets (other than financial assets)

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.



2.13 Investment Property

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

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

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

2.14 Financial Instruments

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

2.14.1 Financial assets

2.14.1 Initial recognition and measurement

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

2.14.2 Subsequent measurement

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

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

2.14.2.1 Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

2.14.2.2 Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.



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

2.14.2.3 Debt instrument at FVTPL

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

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

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

2.14.2.4 Equity investments in subsidiaries, associates and Joint Ventures

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

In case of consolidated financial statement, Equity investments in associates and joint ventures are accounted as per equity method as prescribed in para 10 of Ind AS 28.

2.14.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

All fair value changes of an equity instrument classified at FVTOCI, are recognized in OCI. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends from such investments are recognised in the Statement of Profit and Loss as "other income" when the Company's right to receive payments is established.

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

2.14.2.6 Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of



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

2.14.2.7 Impairment of financial assets (other than fair value)

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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

2.14.3 Financial liabilities

2.14.3.1 Initial recognition and measurement

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

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

2.14.3.2 Subsequent measurement

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

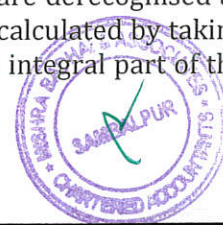
2.14.3.3 Financial liabilities at fair value through profit or loss

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

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

2.14.3.4 Financial liabilities at amortised cost

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



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effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

2.14.3.5 Derecognition

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

2.14.4 Reclassification of financial assets

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

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

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



2.14.5 Offsetting of financial instruments

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

2.14.6 Fair value measurement of financial instruments

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- (a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- (c) Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

2.14.7 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15. Borrowing Costs

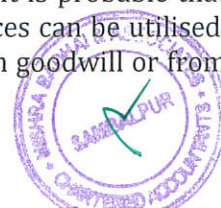
Borrowing costs are expensed as and when incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as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

2.16 Taxation

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

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from



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the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.17 Employee Benefits

2.17.1 Short-term Benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

All short-term employee benefits are recognized in the period in which the services are rendered by employees.

2.17.2 Post-employment benefits and other long term employee benefits

2.17.2.1 Defined contributions plans

A defined contribution plan is a post-employment benefit plan under which the Company pays a fixed contribution into a fund maintained by a separate body and the Company will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees.



2.17.2.2 Defined benefits plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian Government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The application of actuarial valuation involves making assumptions about the discount rate, expected rates of return on assets, future salary increases, mortality rates etc. Due to the long-term nature of these plans, such estimates are subject to uncertainties. The calculation is performed at each balance sheet by an actuary using the projected unit credit method. When the calculation results in the benefit to the Company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan. An economic benefit is available to the Company if it is realisable during the life of the plan, or on settlement of plan liabilities.

Re-measurement of the net defined benefit liability, which comprises actuarial gain and losses considering the return on plan assets (excluding interest) and the effects of the assets ceiling (if any, excluding interest) are recognised immediately in the other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense immediately in the statement of profit and loss.

2.17.3 Other long-term employee benefits

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

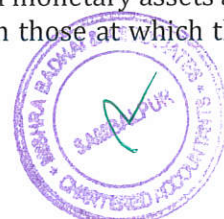
Other long-term employee benefits include items which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

For other long-term employee benefits, net total of the following amounts is recognized in the statement of profit or loss:

- (a) Service cost
- (b) Net interest on the net defined benefit liability (asset)
- (c) Re-measurements of the net defined benefit liability (asset)
- (d)

2.18 Foreign Currency

Transactions in foreign currencies are converted into the reported currency of the Company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they



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were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.21 Provisions, Contingent Liabilities and Contingent Assets

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

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

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

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of the judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.22 Earnings per share

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

2.23 Judgements, Estimates and Assumptions

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

2.23.1 Judgements

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

2.23.1.1 Formulation of Accounting Policies



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

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

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements: and
 - (i) represent faithfully the financial position, financial performance and cash flows of the Company;
 - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects on a consistent basis

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

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income, and expenses in the Framework.

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

The Company operates in the mining sector (a sector where the exploration, evaluation, and development production phases are based on the varied topographical and geo-mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. In the absence of specific accounting literature, guidance and standards in certain specific areas which are in the process of evolution, the Company continues to strive to develop accounting policies in line with the development of accounting literature and any development therein shall be accounted for prospectively as per the procedure laid down above more, particularly in Ind AS 8.

2.23.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the nature or magnitude or both of the items. The deciding factor is whether omitting or misstating or obscuring an information could individually or in combination with other information influence decisions that primary users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. Further, the Company may also be required to present separately immaterial items when required by law.

With effect from 01.04.2019 Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 1% of total assets as per the last audited financial statement of the Company.

2.23.1.3 Operating lease

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

2.23.2 Estimates and assumptions



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

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed here in below:

2.23.2.1 Impairment of non-financial assets

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

2.23.2.2 Income Taxes

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

2.23.2.3 Defined benefit plans and long term employee benefits

The cost of the defined benefit plan and other post-employment medical benefits and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables of the country. Those mortality tables tend to change only at interval in response to demographic changes.

2.23.2.4 Intangible asset under development



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



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3.1 : PROPERTY, PLANT AND EQUIPMENT

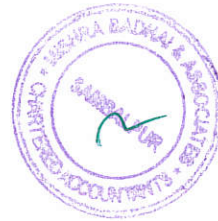
	Freehold Land	Other Land ¹	Site Restoration Costs	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Telecommunication	Railway Sidings	Other Mining Infrastructure	Stripping Activity assets	Surveyed off Assets	Rail Corridor	Solar & Other Assets	Total
(₹ in lakhs)																
Gross Carrying Amount:																
As at 1st April, 2023	-	-	-	-	32.96	-	-	5.38	-	-	-	-	-	-	-	38.34
Additions	-	-	-	-	0.36	-	-	0.12	-	-	-	-	-	-	-	0.48
Deletions/Adjustments	-	-	-	-	(0.59)	-	-	(0.59)	-	-	-	-	-	-	-	(0.59)
As at 31.03.2024	-	-	-	-	33.32	-	-	4.91	-	-	-	-	-	-	-	38.23
As at 1st April, 2024	-	-	-	-	33.32	-	-	4.91	-	-	-	-	-	-	-	38.23
Additions	-	-	-	-	(0.00)	-	-	1.20	-	-	-	-	-	-	-	1.20
Deletions/Adjustments	-	-	-	-	(30.99)	-	-	(2.61)	-	-	-	-	-	-	-	(33.60)
As at 31.03.2025	-	-	-	-	2.33	-	-	3.50	-	-	-	-	-	-	-	5.83
Accumulated Depreciation and Amortisation																
As at 1st April, 2023	-	-	-	-	19.78	-	-	2.21	-	-	-	-	-	-	-	21.99
Charge for the year	-	-	-	-	5.00	-	-	1.84	-	-	-	-	-	-	-	6.84
Deletions/Adjustments	-	-	-	-	(0.56)	-	-	(0.56)	-	-	-	-	-	-	-	(0.56)
As at 31.03.2024	-	-	-	-	24.78	-	-	3.49	-	-	-	-	-	-	-	28.27
As at 1st April, 2024	-	-	-	-	24.78	-	-	3.49	-	-	-	-	-	-	-	28.27
Charge for the period	-	-	-	-	0.18	-	-	1.16	-	-	-	-	-	-	-	1.34
Deletions/Adjustments	-	-	-	-	(23.17)	-	-	(1.32)	-	-	-	-	-	-	-	(24.49)
As at 31.03.2025	-	-	-	-	1.79	-	-	3.32	-	-	-	-	-	-	-	5.12
Accumulated Impairment																
As at 1st April, 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 1st April, 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Carrying Amount																
As at 31.03.2025	-	-	-	-	0.54	-	-	0.17	-	-	-	-	-	-	-	0.71
As at 31.03.2024	-	-	-	-	8.54	-	-	1.42	-	-	-	-	-	-	-	9.96



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3.2 : CAPITAL WORK IN PROGRESS

	(₹ in Lakhs)							
	Building (including water supply, roads and culverts)	Plant and Equipment	Railway Sidings	Other Mining infrastructure/D evelopment	Rail Corridor under Construction	Solar Project	Others	Total
Gross Carrying Amount:								
As at 1st April, 2023				3,331.99	27,757.70			31,089.69
Additions								-
Capitalisation/ Deletions				(3,331.99)	(27,757.70)			(31,089.69)
As at 31.03.2024								
As at 1st April, 2024	-	-	-	-	-	-	-	-
Additions								-
Capitalisation/ Deletions								-
As at 31.03.2025								
Accumulated Impairment								
As at 1st April, 2023								-
Charge for the year								-
Deletions/Adjustments								-
As at 31.03.2024								
As at 1st April, 2024	-	-	-	-	-	-	-	-
Charge for the year								-
Deletions/Adjustments								-
As at 31.03.2025								
Net Carrying Amount								
As at 31.03.2025	-	-	-	-	-	-	-	-
As at 31.03.2024	-	-	-	-	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3.3 : EXPLORATION AND EVALUATION ASSETS

	(₹ in Lakhs)
	Exploration and Evaluation Costs
Gross Carrying Amount:	
As at 1st April, 2023	
Additions	
Transfer to PPE/Capital Work in Progress/ Deletions	
As at 31.03.2024	-
As at 1st April, 2024	
Additions	
Transfer to PPE/Capital Work in Progress/ Deletions	
As at 31.03.2025	-
Accumulated Impairment	
As at 1st April, 2023	
Charge for the year	
Deletions/Adjustments	
As at 31.03.2024	-
As at 1st April, 2024	
Charge for the year	
Deletions/Adjustments	
As at 31.03.2025	-
Net Carrying Amount	
As at 31.03.2025	-
As at 31.03.2024	-



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3.4 : INTANGIBLE ASSETS

(₹ in Lakhs)

	Computer Software	Intangible Exploratory Assets	Rail Corridor	Others	Total
Gross Carrying Amount:					
As at 1st April, 2023					-
Additions			29,885.80		29,885.80
Deletions/Adjustments					-
As at 31.03.2024	-	-	29,885.80	-	29,885.80
As at 1st April, 2024	-	-	29,885.80	-	29,885.80
Additions			829.58		829.58
Deletions/Adjustments					-
As at 31.03.2025	-	-	30,715.38	-	30,715.38
Accumulated Amortisation					
As at 1st April, 2023					-
Charge for the year			1,193.47		1,193.47
Deletions/Adjustments	-	-	-	-	-
As at 31.03.2024	-	-	1,193.47	-	1,193.47
As at 1st April, 2024	-	-	1,193.47	-	1,193.47
Charge for the year			1,013.37		1,013.37
Deletions/Adjustments					-
As at 31.03.2025	-	-	2,206.84	-	2,206.84
			0.00	0.00	0.00
Accumulated Impairment					
As at 1st April, 2023					-
Charge for the year					-
Deletions/Adjustments					-
As at 31.03.2024	-	-	-	-	-
As at 1st April, 2024	-	-	-	-	-
Charge for the year					-
Deletions/Adjustments					-
As at 31.03.2025	-	-	-	-	-
Net Carrying Amount					
As at 31.03.2025	-	-	28,508.53	-	28,508.54
As at 31.03.2024	-	-	28,692.33	-	28,692.33

1. in view of the opinion received from Expert Advisory Committee of Institute of Chartered Accountants of India (ICAI), Rail Corridor which was part of Capital WIP has been with effect from 2023-24 considered as Intangible Assets.

2. The company has amortised the assets on straight-line basis over the concession period of 30 years. The company will review the useful life periodically.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3.5 : INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

	Software under Development	Rail Corridor under Development ¹	Total
Carrying Amount:			
As at 1st April, 2023	-	-	-
Additions	-	235.99	235.99
Capitalisation/ Deletions	-	2,383.63	2,383.63
As at 31.03.2024	-	2,619.62	2,619.62
As at 1st April, 2024	-	2,619.62	2,619.62
Additions	-	93.30	93.30
Capitalisation/ Deletions	-	-	-
As at 31.03.2025	-	2,712.92	2,712.92
Accumulated Impairment			
As at 1st April, 2023	-	-	-
Charge for the year	-	-	-
Deletions/Adjustments	-	-	-
As at 31.03.2024	-	-	-
As at 1st April, 2024	-	-	-
Charge for the year	-	-	-
Deletions/Adjustments	-	-	-
As at 31.03.2025	-	-	-
Net Carrying Amount			
As at 31.03.2025	-	2,712.92	2,712.92
As at 31.03.2024	-	2,619.62	2,619.62

3.5.2. Ageing schedule intangible assets under development

	Amount in Intangible assets under development as at				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
Rail Corridor Under Development	93.30	235.99	-	2,383.63	2,712.92
Total	93.30	235.99	-	2,383.63	2,712.92

	Amount in Intangible assets under development as at 31-03-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
ERP under Development	-	-	-	-	-
Rail Corridor Under Development	235.99	-	-	2,383.63	2,619.62
Total	235.99	-	-	2,383.63	2,619.62

1. In view of the opinion received from Expert Advisory Committee of Institute of Chartered Accountants of India (ICAI), Rail Corridor which was part of Capital Work-in progress has been with effect from 2023-24 considered as Intangible Assets under Construction. Accordingly, carrying value of such asset at the end of the previous financial year amounting to has been transferred therefrom and accounted for as Rail Corridor under construction under Intangible Assets under Development.

2. Construction of Rail line is not over due.



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 4.1 : INVESTMENTS

% of Holding	As at <u>31.03.2025</u>	As at <u>31.03.2024</u>
--------------	----------------------------	----------------------------

NON-CURRENT

Investment in Co-operative shares (Unquoted)	-	-		-	
Investment in Secured Bonds (Quoted)	-	-		-	
TOTAL	<u>-</u>	<u>-</u>		<u>-</u>	

CURRENT

				As at <u>31.03.2025</u>	As at <u>31.03.2024</u>
Mutual Fund (Unquoted)	<u>Units</u>	<u>NAV (₹)</u>		<u>-</u>	<u>-</u>
TOTAL				<u>-</u>	<u>-</u>

4.1.1 Detail of market value of Quoted/Unquoted Investment

	Non-Current		Current	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Aggregate amount of unquoted investments:	-	-	-	-
Aggregate of Quoted Investment:	-	-	-	-
Market value of Quoted Investment:	-	-	-	-
Aggregate amount of impairment in value of investments:	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 4.2 : LOANS

	As at 31.03.2025	As at 31.03.2024
NON-CURRENT		
Loans to related parties		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
Less: Allowance for doubtful loans	-	-
Loans to body corporate and employees		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
Less: Allowance for doubtful loans ^{4.2.1}	-	-
Deferred Asset on Non Interest Bearing Advance	-	-
TOTAL	-	-

CURRENT

Loans to related parties		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
Less: Allowance for doubtful loans ^{4.2.1}	-	-
Loans to other than related parties		
Loans to body corporate and employees		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Have significant increase in credit risk	-	-
- Credit impaired	-	-
Less: Allowance for doubtful loans	-	-
TOTAL	-	-

4.2.1 The details of movement in Allowance for doubtful loans balances (Current and Non-Current)

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

4.2.2 For Loan to related parties - Refer Note 16 - (2)(viii)

NOTE - 4.3: TRADE RECEIVABLES

	As at 31.03.2025	As at 31.03.2024
Secured considered good	-	-
Unsecured considered good	673.31	1,367.51
Have significant increase in credit risk	-	-
Credit impaired	-	-
Less : Allowance for expected credit loss ^{4.3.1}	673.31	1,367.51
TOTAL	673.31	1,367.51

4.3.1 The Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix in determining allowance for credit losses of trade receivables. The provision matrix takes into account historical credit loss experience and forward looking information. The expected credit loss allowance is based on ageing of receivables that are due and the rates used in provision matrix.

The details of movement in allowance for expected credit loss

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

7. Trade Receivables ageing schedule

As at 31.03.2025

Particulars	Outstanding for following periods from transaction date					More than 3 years
	Unbilled dues	Less than 6 months	6 months 1 year	1-2 years	2-3 years	
(i) Undisputed Trade receivables – considered good		673.31				
(ii) Undisputed Trade Receivables - which have significant increase in credit risk						
(ii) Undisputed Trade Receivables – credit impaired						
(iii) Disputed Trade Receivables- considered good						
(iv) Disputed Trade Receivables – which have significant increase in credit risk						
(v) Disputed Trade Receivables – credit impaired						
Total		673.31	-	-	-	-
Allowance for expected credit loss						
Expected credit losses (Loss allowance provision) - %		0%	0%	0%	0%	0%

As at 31.03.2024

Particulars	Outstanding for following periods from transaction date					More than 3 years
	Unbilled dues	Less than 6 months	6 months 1 year	1-2 years	2-3 years	
(i) Undisputed Trade receivables – considered good		1,367.51				
(ii) Undisputed Trade Receivables - which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables- considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(v) Disputed Trade Receivables – credit impaired						
Total		1,367.51	-	-	-	-
Allowance for expected credit loss						
Expected credit losses (Loss allowance provision) - %		0%	0%	0%	0%	0%

NOTE - 4.4 : CASH AND CASH EQUIVALENTS

	As at 31.03.2025	As at 31.03.2024
Balances with Banks		
-in Deposit Accounts	4,954.51	3,178.03
- in Current Accounts	2.19	3.37
Bank Balances outside India	-	-
ICDs with Primary Dealers ^{4.4.1}	-	-
Cheques, Drafts and Stamps on hand	-	-
Cash on hand	-	-
Cash on hand outside India	-	-
Others ^{4.4.2}	-	-
TOTAL	4,956.70	3,181.40

4.1Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 4.5 : OTHER BANK BALANCES

	As at 31.03.2025	As at 31.03.2024
Balances with Banks		
Deposit accounts	-	-
Deposit accounts (For specific purposes ^{4.5.1})	-	-
TOTAL	<u>-</u>	<u>-</u>

4.5.1 Deposit for specific purposes are bank deposits held under lien/earmarked as per courts order and for other specific purposes.

4.5.2 Other Bank Balances comprise Deposits - for specific purposes and bank deposits which are expected to realise in cash within 12 months after the reporting date. - Refer para 4(d) of Note 16.

NOTE - 4.6 : OTHER FINANCIAL ASSETS

	As at 31.03.2025	As at 31.03.2024
NON-CURRENT		
Security Deposit	-	-
Less : Allowance for doubtful Security deposits ^{4.6.1}	-	-
Bank Deposits with more than 12 months maturity	-	-
Deposit in Bank under Mine Closure Plan ^{4.6.2}	-	-
Finance lease receivables ^{4.6.4}	-	-
Other Deposit and Receivables ^{4.6.5}	-	-
Less : Allowance for doubtful deposits and receivables ^{4.6.1}	-	-
TOTAL	<u>-</u>	<u>-</u>

CURRENT

	As at 31.03.2025	As at 31.03.2024
Security Deposit	-	-
Less : Allowance for doubtful Security deposits ^{4.6.1}	-	-
Current Account Balance with HQ, Holding Co. & subsidiaries	-	-
Less : Allowance for doubtful balances with subsidiaries	-	-
Balance with IICM	-	-
Interest accrued	7.38	3.48
Finance lease receivables ⁵	-	-
Other Deposit and Receivables	0.15	2.64
Less : Allowance for doubtful deposits and receivables ^{4.6.1}	-	-
TOTAL	<u>0.15</u> <u>7.54</u>	<u>2.64</u> <u>6.12</u>

4.6.1 The details of movement in Allowance for bad and doubtful deposit and receivables (Current and Non-Current)

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	<u>-</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

4.6.4 Lease

Finance Lease

(i) Amounts recognised in profit and loss account in respect of Lease Receivables:

Particulars	As at 31.03.2025	As at 31.03.2024
Lease Income	-	-
Income relating to variable lease payments that do not depend on an index or a rate	-	-
Total	-	-

(ii) Undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and for the remaining years:

Particulars	As at 31.03.2025	As at 31.03.2024
Less than One Year	-	-
Between one and two years	-	-
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	-	-
More than five years	-	-
Total	-	-

Operating Lease

(iii) Amounts recognised in profit and loss account in respect of Lease Receivables:

Particulars	As at 31.03.2025	As at 31.03.2024
Lease Income	-	-
Income relating to variable lease payments that do not depend on an index or a rate	-	-
Total	-	-

(iv) Undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and for the remaining years:

Particulars	As at 31.03.2025	As at 31.03.2024
Less than One Year	-	-
Between one and two years	-	-
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	-	-
More than five years	-	-
Total	-	-

(v) Changes in the carrying value of assets given on Operating Lease as at 31.03.2025:

Particular	Net Carrying Value at the beginning of the year	Addition during the year / period	Deletion during the year / period	Net Carrying Value at the closing of the year	Depreciation/ Amortisation for the year
Land	-	-	-	-	-
Building	-	-	-	-	-
Plant and Equipment	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-
Vehicles	-	-	-	-	-
Office Equipments	-	-	-	-	-
Telecommunication	-	-	-	-	-
Railway Sidings	-	-	-	-	-
Rail Corridor	-	-	-	-	-
Intangible Assets	-	-	-	-	-



(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS

(vi) Changes in the carrying value of assets given on Operating Lease as at 31.03.2024:

Particular	Net Carrying Value at the beginning of the year	Addition during the year / period	Deletion during the year / period	Net Carrying Value at the closing of the year	Depreciation/ Amortisation for the year
Land	-	-	-	-	-
Building	-	-	-	-	-
Plant and Equipment	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-
Vehicles	-	-	-	-	-
Office Equipments	-	-	-	-	-
Telecommunication	-	-	-	-	-
Railway Sidings	-	-	-	-	-
Rail Corridor	-	-	-	-	-
Intangible Assets	-	-	-	-	-

4.6.6 For dues from directors - Refer Note 16 - (2)(viii)

NOTE - 5.1 : INVENTORIES

	As at 31.03.2025	As at 31.03.2024
Finished Goods	-	-
Goods at Development Projects	-	-
Less: Provision for diminution in value	-	-
Stores, Spares and other inventories (net) ^{5.1.3}	-	-
Less: Provision for slow-moving, non-moving, and obsolete inventories	-	-
TOTAL	-	-

5.1.1 The details of movement in provision for diminution in value

Balance at the beginning of the year	-	-
Recognised during the year	-	-
Derecognised during the year	-	-
Balance at the end of the year	-	-

#####

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

5.1.3 Other inventories above includes Stock of Workshop Jobs, Stationery, medicine, press jobs etc.

NOTE - 6.1 : OTHER NON-CURRENT ASSETS

	As at 31.03.2025	As at 31.03.2024
Capital Advances	8,915.77	9,267.89
Less : Allowance for doubtful advances ^{6.1.1}	-	-
	8,915.77	9,267.89
Advances other than capital advances		
Other Deposits and Advances	7.81	8.42
Less : Allowance for doubtful deposits ^{6.1.1}	-	-
	7.81	8.42
Advances to related parties	-	-
TOTAL	8,923.58	9,276.31

6.1.1 The details of movement in Allowance for bad and doubtful deposit and receivables (Non-Current)

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

6.1.3 For dues from directors - Refer Note 16 - (2)(viii)



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 6.2: OTHER CURRENT ASSETS

	As at 31.03.2025	As at 31.03.2024
Advances other than capital advances	-	-
Advance payment of statutory dues	-	-
Less : Allowance for doubtful Statutory dues ^{6.2.1}	-	-
Other Deposits and Advances ^{6.2.2 and 6.2.3}	-	-
Less : Allowance for doubtful other deposits and advances ^{6.2.1}	-	-
Input Tax Credit receivable ^{6.2.4}	-	56.92
TOTAL	-	56.92

6.2.1 The details of movement in Allowance for bad and doubtful advances and deposits (Current)

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Utilised during the period	-	-
Balance at the end of the period	-	-

NOTE - 7.1 : EQUITY SHARE CAPITAL

	As at 31.03.2025	As at 31.03.2024
Issued, Subscribed and Paid-up Share Capital		
90005000 Equity Shares of ₹ 10/- each fully paid up	9,000.50	9,000.50
(P.Y.90005000 Equity Shares of ₹ 10/- each fully paid up)	-	-
TOTAL	9,000.50	9,000.50
: Instruments entirely equity in nature		
Interest Free Loan against equity contribution	29,250.00	29,250.00
(MCL : Rs. 20800 Lakh and IRCON Rs. 8450 Lakh)	-	-
TOTAL	29,250.00	29,250.00

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

Name of Shareholder	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	% Change during the year	% of Total Shares	% change during the year
Mahanadi CoalFields Limited and its nominees	64000000	71.107	0.000	100.00	0.00%
IRCON International Limited and its nominees	26000000	28.887	0.000	100.00	0.00%

7.1.2 Reconciliation of equity shares outstanding at the beginning and at the end of reporting period:-

Particular	Number of Share	Amount
Balance as on 31.03.2019	50,000	5,00,000.00
Change during the period ended	-	-
Balance as on 31.03.2020	50,000	5,00,000.00
Change during the period ended	-	-
Balance as on 31.03.2021	50,000	5,00,000.00
Change during the period ended	8,99,55,000	89,95,50,000.00
Balance as on 31.03.2022	9,00,05,000	90,00,50,000.00
Change during the period ended	-	-
Balance as on 31.03.2023	9,00,05,000	90,00,50,000.00
Change during the period ended	-	-
Balance as on 31.03.2024	-	-
Change during the period ended	-	-
Balance As at 31.03.2025	9,00,05,000	90,00,50,000.00

7.1.3 The Company has only one class of equity shares having a face value ₹ 1000/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amount, in proportionate to their shareholdings.

NOTE - 7.2 : OTHER EQUITY

	As at 31.03.2025	As at 31.03.2024
Capital Redemption reserve	-	-
Capital Reserve	-	-
General Reserve	-	-
Retained Earnings	(20.96)	(294.99)
Other comprehensive income that will be reclassified to profit or loss	-	-
TOTAL	(20.96)	(294.99)



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

(a) Capital Redemption Reserve

	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	-	-
Addition during the period	-	-
Adjustment during the period	-	-
Balance at the end of the period	-	-

(i) As per Companies Act, 2013 Capital Redemption Reserve is created when company purchases its own share out of free reserve or securities premium, a sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of the section 69 of the Companies Act, 2013.

(ii) Details of Capital Redemption Reserve

Particulars	Amount (₹ in lakhs)	Year
Buyback of Equity Share	-	-
Total	0	-

(b) Capital Reserve

	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	-	-
Addition during the period	-	-
Issue of Bonus Share	-	-
Adjustment during the period	-	-
Balance at the end of the year	-	-

(c) General Reserve

	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	-	-
Addition during the period	-	-
Adjustment during the period	-	-
Transfer to / from General reserve	-	-
Balance at the end of the period	-	-

The general reserve is a free reserve that is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

(d) (i) Retained Earnings

	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	(294.99)	(136.88)
Profit for the period	274.04	(158.11)
Interim Dividend	-	-
Final Dividend	-	-
Adjustment during the year (transfer to HQ)	-	-
Transfer to General reserve	-	-
Balance at the end of the period	(20.96)	(294.99)

(d) (ii) Other Comprehensive Income items that will not be reclassified to profit or loss ⁽ⁱ⁾

	As at 31.03.2025	As at 31.03.2024
Balance at the beginning of the year	-	-
Other Comprehensive Income during the period	-	-
Share of other comprehensive income/(expense) of joint ventures	-	-
Adjustment during the period	-	-
Balance at the end of the period	-	-
Total (d(i) + (ii))	(20.96)	(294.99)

(i) Includes net actuarial gains/(losses) on defined benefit plans (net of tax)

(ii) Retained Earnings are the accumulated profit and loss of the Company earned till date net of appropriations.

(e) Items of other comprehensive income

(Other Comprehensive Income items that will be reclassified to profit or loss)

	As at 31.03.2025	As at 31.03.2024
Exchange differences on translating the financial statements of a foreign operation		
Balance at the beginning of the year	-	-
Other Comprehensive Income during the period	-	-
Share of other comprehensive income/(expense) of joint ventures	-	-
Adjustment during the period	-	-
Balance at the end of the period	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 8.1 : BORROWINGS

	As at 31.03.2025	As at 31.03.2024
Non-Current		
Term Loans		
From Banks ^{8.1.1 and 8.1.2}		
Secured	-	-
Unsecured	-	-
From Others ^{8.1.3}		
Secured	-	-
Unsecured	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Current		
From Bank		
Secured		
Bank overdrafts	-	-
Other loan from banks	-	-
From Others		
Secured	-	-
Unsecured	-	-
Current maturities of long-term borrowings ^{8.1.1}	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Note - 8.2: LEASE LIABILITIES

	As at 31.03.2025	As at 31.03.2024
Non - Current		
Balance at the beginning of the year	-	-
Additions during the period	-	-
Finance cost accrued during the period	-	-
Payment of lease liabilities	-	-
Balance at the closing of the period	<u>-</u>	<u>-</u>
Current		
Balance at the beginning of the year	-	-
Additions during the period	-	-
Finance cost accrued during the period	-	-
Payment of lease liabilities	-	-
Balance at the closing of the period	<u>-</u>	<u>-</u>



(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS

8.2.1 Maturity Analysis of Lease Liability on an undiscounted basis (Non-Current and Current):

Particulars	As at 31.03.2025	As at 31.03.2024
Upto 1 Year		
1-5 Years		
More than 5 Years		

8.2.2 Changes in the carrying value of right-of-use assets as at 31.03.2025

Particular	Net Carrying Value at the beginning of the year	Addition during the period	Deletion during the period	Net Carrying Value at the closing of the period	Depreciation/ Amortisation for the period
Land					
Building					
Plant and Equipment					
Furniture and Fixtures					
Vehicles					
Office Equipments					
Telecommunication					
Railway Sidings					
Rail Corridor					
Right to Use Assets					

Changes in the carrying value of right-of-use assets as at 31.03.2024

Particular	Net Carrying Value at the beginning of the year	Addition during the period	Deletion during the period	Net Carrying Value at the closing of the period	Depreciation/ Amortisation for the period
Land					
Building					
Plant and Equipment					
Furniture and Fixtures					
Vehicles					
Office Equipments					
Telecommunication					
Railway Sidings					
Rail Corridor					
Right to Use Assets					

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company.

The Company's significant leasing arrangements include assets dedicated for use under long-term arrangements as given in the above table of Right of Use Assets.

8.2.3 Amounts recognised in profit or loss

Particulars	As at 31.03.2025	As at 31.03.2024
Depreciation and amortisation expense for right-of-use assets	-	-
Interest expense on lease liabilities	-	-
Expense relating to short-term leases		
Gain or loss arising from sale and leaseback transaction	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

8.2.4 Total Cash outflow for Leases disclosed in the cash flow statement

Particulars	As at 31.03.2025	As at 31.03.2024
Payment of finance lease liabilities	-	-
Cash Outflow relating to short term leases	-	-

NOTE - 8.3 : TRADE PAYABLES

	As at 31.03.2025	As at 31.03.2024
Current		
Total outstanding dues of micro, small and medium enterprises	-	-
Total outstanding dues of Creditors other than micro, small and medium enterprises	949.48	155.32
TOTAL	949.48	155.32

8.3.1 Trade Payables aging schedule

As at 31.03.2025

Particulars	Unbilled Dues	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
i) MSME						-
ii) Others	938.76	2.51	8.21			949.48
iii) Disputed dues -MSME						-
iv) Disputed dues -Others						-
v) Unbilled dues						-
Total	938.76	2.51	8.21	-	-	949.48

As at 31.03.2024

Particulars	Unbilled Dues	Outstanding for following periods from transaction date				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
i) MSME						-
ii) Others	155.32	-				155.32
iii) Disputed dues -MSME						-
iv) Disputed dues -Others						-
v) Unbilled dues						-
Total		-	-	-	-	155.32

NOTE - 8.4 : OTHER FINANCIAL LIABILITIES

	As at 31.03.2025	As at 31.03.2024
NON-CURRENT		
Deposits from Contractors & Others	-	-
Others	-	-
TOTAL	-	-
CURRENT		
Current Account with MCL	5,438.46	5,047.37
Current Account of IRCON	722.07	632.03
Deposits from Contractors & Others	1.58	-
Earnest Money	0.60	0.60
Payable for Capital Expenditure	-	334.55
Liability for Employee Benefits	114.44	12.82
Others ^{8.4.2 & 8.4.3}	314.25	1,076.15
TOTAL	6,591.39	7,103.53

NOTE - 9.1 : PROVISIONS

	As at 31.03.2025	As at 31.03.2024
NON-CURRENT		
Employee Benefits		
Gratuity	-	-
Leave Encashment	-	-
Post Retirement Medical Benefits	-	-
Other Employee Benefits	-	-
Other Provisions		
Others	-	-
TOTAL	-	-



(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS

CURRENT

Employee Benefits

Gratuity	-	-
Leave Encashment	-	-
Post Retirement Medical Benefits	-	-
Ex- Gratia	-	-
Performance Related Pay	-	-
Other Employee Benefits ^{9,14}	-	-
	<hr/>	<hr/>

Site Restoration/ Mine Closure

Other Provisions

Others	-	-
TOTAL	<hr/> <hr/>	<hr/> <hr/>

9.1.1 The details of movement in Provisions (Current and Non-Current)

	Balance at the beginning of the year	charged during the period	Utilised during the period	Balance at the end of the period
Ex- Gratia	-	-	-	0.00
Performance Related Pay	-	-	-	0.00
Other Employee Benefits	-	-	-	0.00
Others	-	-	-	0.00



(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 10.1 : OTHER NON CURRENT LIABILITIES

	As at 31.03.2025	As at 31.03.2024
Deferred Income (Government Grant)	-	-
Others	-	-
TOTAL	-	-

NOTE - 10.2 : OTHER CURRENT LIABILITIES

	As at 31.03.2025	As at 31.03.2024
Statutory Dues	15.12	4.00
Advance from customers / others	-	-
Deferred Income (Government Grant)	-	-
Others liabilities ²	-	-
TOTAL	15.12	4.00

10.2.1 Management anticipates that no additional future liabilities, including interest, will arise beyond those disclosed in the financial statements.

NOTE - 11.1 : TAX ASSETS/LIABILITIES

	As at 31.03.2025	As at 31.03.2024
Income Tax Assets		
Balance at the beginning of the year	8.18	0.58
Recognised during the period	28.01	8.18
Reversal/refund during the period	(8.19)	(0.58)
Balance at the Closing of the period	28.00	8.18

Income Tax Liabilities

Balance at the beginning of the year	-	-
Recognised during the period	-	-
Reversal/Adjustment during the period	-	-
Balance at the Closing of the period	-	-

(Refer 14.1 & 15.1)

Net income tax asset/(liabilities) at the end

	28.00	8.18
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Disclosed as:

Non Current

Income Tax Assets (net)	-	-
Income Tax Liabilities (net)	-	-

Current

Income Tax Assets (net)	28.00	8.18
Income Tax Liabilities (net)	-	-
	28.00	8.18

NOTE - 11.2 : DEFERRED TAX ASSETS/LIABILITIES

	Balance as on 01.04.2023	Recognised/ (reversed) in profit and loss during the period	Recognised in other comprehensive income during the period	Balance as on 31.03.2025
Deferred Tax Assets:				
Provision for Doubtful Advances, Claims and Debts	-	-	-	-
Employee Benefits	-	-	-	-
Others	-	-	-	-
TOTAL OF (A)	-	-	-	-
Deferred Tax Liability:				
Related to Property, Plant and Equipment and Intangible assets	-	2,787.50	-	2,787.50
Others	-	(2,761.72)	-	(2,761.72)
TOTAL OF (B)	-	25.78	-	25.78
Net Deferred Tax Asset/ (Deferred Tax Liability) (C= A-B)	-	(25.78)	-	(25.78)
D. Remeasurement of Defined benefit Plan DTL(+)/DTA(-)	-	-	-	-
Net Deferred Tax Asset/(Liability) (E=C+D)	-	(25.78)	-	(25.78)

Disclosed as:

	As at 31.03.2025	As at 31.03.2024
Deferred Tax Assets	-	-
Deferred Tax Liability	25.78	-
	(25.78)	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 12.1 : REVENUE FROM OPERATIONS

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Sales		
Sales	-	-
Less: Statutory Levies	-	-
Sales (Net) (A) ^{12.1.1, 12.1.2 and 12.1.3}	-	-
Other Operating Revenue		
Subsidy for Sand Stowing and Protective Works	-	-
Loading and additional transportation charges	-	-
Less : Statutory Levies	-	-
Evacuation Facility Charges	-	-
Less: Statutory Levies	-	-
Revenue from other services ⁴ (USER FEES)	2,415.94	2,093.08
Less: Statutory Levies	-	-
Other Operating Revenue (Net) (B)	2,415.94	2,093.08
Revenue from Operations (A+B)	2,415.94	2,093.08

1 User fees have been recognised on receipt from Railways and included estimation for 2 months based on available information of past periods and there is no indication of significant reversal.

NOTE - 12.2 : OTHER INCOME

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Interest Income ^{12.2.1}	300.88	109.79
Dividend Income from Mutual funds	-	-
Other non-operating income (net of expenses directly attributable to such income)		
Profit on Sale of Assets	-	-
Gain on Foreign Exchange Transactions	-	-
Gain on Sale of Mutual Fund	-	-
Lease Rent ^{12.2.2}	-	-
Provision written back ^{12.2.2}	-	-
Liabilities written back	-	-
Fair value changes (Net)	-	-
Miscellaneous Income ^{12.2.3}	-	0.03
TOTAL	300.88	109.82

12.2.1 Includes interest on income tax refund ₹ 0.33 lakhs (P.Y. ₹ 0.02lakh)

12.2.2 Details of provision written back

For loans to body corporate and employees (4.2.1)	-	-
For trade receivables (4.3.1)	-	-
For financial deposits and receivables (4.6.1)	-	-
For coal and store inventories (5.1.1 and 5.1.2)	-	-
For other non current deposits and advances (6.1.1)	-	-
For other current deposits and advances (6.2.1)	-	-
Total provision written back during the period/year	-	-

NOTE - 13.1 : COST OF MATERIALS CONSUMED

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Explosives	-	-
Timber	-	-
Oil and Lubricants	-	-
HEMM Spares	-	-
Other Consumable Stores and Spares	-	-
TOTAL	-	-

NOTE - 13.1(a) : Purchase of Stock-in-Trade

Purchase of Stock-in-Trade	-	-
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NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

NOTE - 13.2 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Change in Inventory of coal

Stock at the beginning of the year
Opening Stock brought to Revenue
Stock at the closing of the year

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Stock at the beginning of the year	-	-
Opening Stock brought to Revenue	-	-
Stock at the closing of the year	-	-
Change in Inventory of workshop and press Jobs		
Stock at the beginning of the year	-	-
Stock at the closing of the year	-	-
TOTAL	-	-

NOTE - 13.3 : EMPLOYEE BENEFITS EXPENSES

Salary and Wages^{13.3.1 & 13.3.2}
Contribution to Provident Fund and Other Funds
Staff welfare Expenses
TOTAL

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Salary and Wages ^{13.3.1 & 13.3.2}	112.78	146.27
Contribution to Provident Fund and Other Funds	-	-
Staff welfare Expenses	-	-
TOTAL	112.78	146.27

NOTE - 13.4 : FINANCE COSTS

Interest Expenses
Unwinding of discounts
Fair value changes (net)
Other Borrowing Costs^{13.4.1}
TOTAL

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Unwinding of discounts	-	-
Fair value changes (net)	-	-
Other Borrowing Costs ^{13.4.1}	339.67	822.86
TOTAL	339.67	822.86



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

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NOTE - 14.1 : TAX EXPENSE

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Current Year	-	-
Earlier Years	-	-
Total current tax	-	-
Deferred tax	25.78	
MAT Credit Entitlement	-	
TOTAL	25.78	-
14.1.1 Reconciliation of Tax Expenses:		
Profit/(Loss) before tax	299.82	(158.11)
At income tax rate of 25.168% (31.03.2024: 25.168%)	75.46	-
Less: Tax on exempted Income		
Add: Tax on non-deductible expenses/(Additional expenses allowed for tax purpose)	(75.46)	-
Adjustment for Tax under MAT provisions	-	-
Adjustment for earlier year tax	-	-
Income Tax Expenses reported in statement of Profit and Loss	-	-
Effective income tax rate :	0.00%	0.00%

NOTE - 15.1 : OTHER COMPREHENSIVE INCOME

	For the year ended on 31.03.2025	For the year ended 31.03.2024
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans ¹	-	-
Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	-	-
Items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
Exchange differences in translating the financial statements of a foreign operation	-	-
Income tax relating to items that will be reclassified to profit or loss		
Share of OCI in Joint ventures	-	-
TOTAL	-	-



NOTES TO THE FINANCIAL STATEMENTS

(₹ in lakhs)

Expenses on Buyback of shares	-	-
Corporate Social Responsibility expenses ^{13.4.2}	-	-
Donations, Rewards and Grant	-	-
Provisions ^{13.4.1}	-	-
Write off (Net of Write back of provisions recognized earlier)	5.48	-
Miscellaneous expenses	11.63	14.61
TOTAL	939.34	173.92

13.4.1 Details of provisions

For loans to body corporate and employees (4.2.1)	-	-
For trade receivables (4.3.1)	-	-
For financial deposits and receivables (4.6.1)	-	-
For coal and store inventories (5.1.1 and 5.1.2)	-	-
For other non current deposits and advances (6.1.1)	-	-
For other current deposits and advances (6.2.1)	-	-
Total provision written back during the period/year	-	-



NOTE - 16: ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

1 a) Contingent Liabilities

I. Claims against the Company not acknowledged as debt (to the extent not provided for)

							(₹ in lakhs)	
	Central Government	State Government and Local authorities	Central Public Sector Enterprises	Others	Total			
Opening as on 01.04.2024								
Addition during the period								
Claim settled during the period:								
a. From Opening Balance								
b. Out of addition during the period								
Closing as on 31.03.2025								
							(₹ in lakhs)	
	Central Government	State Government and Local authorities	Central Public Sector Enterprises	Others	Total			
Opening as on 01.04.2023								
Addition during the period								
Claim settled during the period:								
a. From Opening Balance								
b. Out of addition during the period								
Closing as on 31.03.2024								
							(₹ in lakhs)	
Contingent Liability							31.03.2025	31.03.2024
Sl. No.	Particulars							
1	Central Government							
	Income Tax							
	Central Excise							
	Clean Energy Cess							
	Central Sales Tax							
	Service Tax							
	Others (Please Specify)							
	Sub-Total							
2	State Government and Local Authorities							
	Royalty							
	Environment Clearance							
	Sales Tax/VAT							
	Entry Tax							



Electricity Duty	
Others	
Sub-Total	-
3 Central Public Sector Enterprises	
Arbitration Proceedings	
Suit against the company under litigation	
Others (Please Specify)	
Sub-Total	-
4 Others: (If any)	
Miscellaneous - Land and Others	
Employee Related Etc.	
Sub-Total	-
Grand Total	-

Contingent Assets: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

II. Guarantee

As on 31.03.2025 Bank guarantee issued is ₹ 0.00 lakhs (P.Y. ₹0.00 lakhs).

III. Letter of Credit

As on 31.03.2025 outstanding letter of credit is Nil (P.Y. Nil).

b) Commitments

As on 31.03.2025 - Nil

2 Related Party informations

a) Group information

i) Promoter companies

S.no	Name of Entity	Principal activities	Country of Incorporation	% Equity Interest	
				31.03.2025	31.03.2024
1	Mahanadi Coalfields Limited	Coal mining	India	71.107	71.107
2	IRCON International Ltd	Rail Infrastructure and consultancy	India	28.887	28.887

Outstanding balances as on and transactions for the period then ended

Name of Related Parties	Apex Charges	Rehabilitation Charges	Dividend Paid	Sale of Assets	Interest on Short term loan form holding company	Others (Withheld from contracts)	Current Account Balances Payables	
							31.03.2025	31.03.2024
Mahanadi Coalfields					382.61	-	5,438.46	
IRCON International Ltd					-	304.81	722.07	
Total					382.61	304.81		6,160.53

(₹ in lakhs)



iii) Key Managerial Personnel

Name	Designation	w.e.f.
Shri Keshav Rao	Chairman	01.11.2023
Shri A. K. Behura	Director	01.11.2023
Shri S. K. Sinha	Director	21.07.2023
Shri S. K. Sethi	Director	01.11.2023
Smt. Ragini Advani	Director	21.07.2022
Shri Parag Verma	Director	21.07.2023
Shri Priyaranjan Parhi	Director	09.05.2022
Shri S Nayak	CEO	05.12.2021
Shri B. K. Parida	CFO	01.04.2022
Shri S. K. Behera	Company Secretary	28.06.2022

iv) Remuneration of Key Managerial Personnel

Sl. No.	Payment to CMD, Whole Time Directors and Company Secretary	31.03.2025	31.03.2024
i)	Short Term Employee Benefits		
a.	Payment to Chairman cum Managing Directors, Whole Time Directors, Chief Financial Officer and Company Secretary	6.30	7.15
b.	Sitting Fees to Independent Directors	-	-
ii)	Post-Employment Benefits	-	-
iii)	Other Long-term Benefits		
iv)	Termination Benefits		
v)	Share Based Payment		
	TOTAL	6.30	7.15

(₹ in lakhs)

Note:

v) Balances Outstanding with Key Managerial Personnel

Sl. No.	Particulars	31.03.2025	31.03.2024
i)	Amount Payable	-	-
ii)	Amount Receivable	-	-

(₹ in lakhs)

vi) No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or member. Further there is no loans to related parties (Directors, Key Managerial Persons and others).

3 Others

a) Authorised Capital

	31.03.2025	31.03.2024
10,00,00,000 Equity Shares of ₹ 10/- each fully paid up	10000	10000

(Lakhs)



4 Fair Value Measurement

(a) Financial Instruments by Category

(₹ in lakh)

	31.03.2025		31.03.2024	
	FVTPL	AMORTISED COST	FVTPL	AMORTISED COST
Financial Assets				
Investments :		-		
Secured Bonds		-		
Mutual Fund/ ICD		-		
Loans		-		
Deposits & receivable		7.54		6.12
Trade receivables*		673.31		1,367.51
Cash & cash equivalents		4,956.70		3,181.40
Financial Liabilities				
Borrowings		-		-
Trade payables		949.48		155.32
Security Deposit and Earnest mor		2.18		0.60
Lease Liabilities		-		-
Other Liabilities		6,589.21		7,102.93

(b) Fair value hierarchy

Table below shows judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b)

Financial assets and liabilities	31.03.2025			31.03.2024		
	Level 1	Level 3	Level 3	Level 1	Level 3	Level 3
Financial Assets at FVTPL						
Investments :						
Mutual Fund/ ICD						

Financial assets and liabilities	31.03.2025			31.03.2024		
	Level 1	Level 3	Level 3	Level 1	Level 3	Level 3
Financial Assets						
Investments* :						
Secured Bonds		-	-			
Loans		-	-			
Deposits & receivable		7.54	7.54			6.12
Trade receivables*		673.31	673.31			1,367.51
Cash & cash equivalents		4,956.70	4,956.70			3,181.40
Financial Liabilities						
Borrowings		-	-			-
Trade payables		949.48	949.48			155.32
Security Deposit and Earnest		2.18	2.18			0.60
Lease Liabilities		-	-			-
Other Liabilities		6,589.21	6,589.21			7,102.93

A brief of each level is given below.

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



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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments, security deposits and other liabilities included in level 3.

(c) Valuation technique used in determining fair value

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

(d) Fair value measurements using significant unobservable inputs

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

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

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

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

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

5 Financial Risk Management

Financial risk management objectives and policies

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

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

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and Cash equivalents, trade receivables financial asset	Ageing analysis/ Credit rating	Department of Public enterprises (DPE)
Liquidity Risk	Borrowings and other liabilities	Periodic cash flows	Availability of committed credit lines and
Market Risk-foreign exchange	Future commercial transactions, recognised financial assets	Cash flow forecast sensitivity analysis	Regular watch and review by senior
Market Risk-interest rate	Cash and Cash equivalents, Bank deposits and mutual funds	Cash flow forecast sensitivity analysis	Department of Public Enterprises (DPE)

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

A. Credit Risk.

Credit risk management:

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

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

Significant estimates and judgments for impairment of financial assets

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



B. Liquidity Risk

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

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

C. Market risk

a) Foreign currency risk

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

b) Cash flow and fair value interest rate risk

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

Company manages the risk using guidelines issued by Department of Public Enterprises (DPE) on diversification of bank deposits credit limits and other securities.

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

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

7) Other Information

(a) Segment Reporting

The group's main business is development of rail lines and earning apportioned freight called user fees from Indian Railways and related services. All activities of the group revolve around the main business. As such, there are no separate reportable segments for the group.

(b) Earnings per share

Sl. No.	Particulars	For the year ended on 31.03.2025	For the year ended 31.03.2024
i)	Net profit after tax attributable to Equity Share Holders ₹ in lakh	274.04	-158.11
ii)	Weighted Average no. of Equity Shares Outstanding	90005000	90005000
iii)	Basic and Diluted Earnings per Share in Rupees (Face value ₹10/- per share) considering net profit after tax	₹ 0.30	(₹ 0.18)

(c) Insurance and escalation claims

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

(d) Current Assets, Loans and Advances etc.

The value on realisation on current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the

(e) Balance Confirmations

The Company has a procedure for obtaining periodic confirmation of balances from banks. There are no unconfirmed balances in respect of bank accounts and

f) Benami Property:

No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988.

g) Returns or statements filled with banks or financial institutions:

The quarterly returns / statement of current assets filed by the Company with banks / financial institutions are generally in agreement with the books of accounts.

h) Wilful Defaulter:

Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.



- i) **Relationship with Struck off Companies:**
Company has not undertaken any material transactions with struck-off companies.
- j) **Registration of charges or satisfaction with Registrar of Companies:**
No charges or satisfaction is pending for registration with Registrar of Companies beyond the statutory period by the Company.
- k) **Compliance with number of layers of companies:**
The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company as per
- m) **Compliance with approved Scheme(s) of Arrangements:**
There were no scheme of Arrangements approved by the competent authority during the year in terms of sections 230 to 237 of the Companies Act, 2013.
- n) **Utilisation of Borrowed funds and share premium:**
(A) Company has not advanced or loaned or invested any fund to any entity (Intermediaries) with the understanding that the Intermediary shall lend or invest in party
- o) **Crypto Currency or Virtual Currency**
Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- p) **Undisclosed Income:**
Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax

9)

Ratios	Description	For the Year ended 31.03.2025	For the year ended 31.03.2024	Variance	Reason for variance beyond 25%
	(a) Current Ratio: The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients. Current ratio has been calculated as Current Assets divided by Current liabilities.	0.7498	0.6361	18%	
	(b) Debt-Equity Ratio: Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet. Debt-Equity Ratio has been calculated as total debt divided by Shareholder's Equity.	0.0002	0.0002	0%	
	(c) Debt Service Coverage Ratio: Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments. Debt Service Coverage Ratio is calculated as Earning available for debt service divided by Debt Service.	4.7941	2.2666	112%	This has resulted due to increase in profit and decrease in borrowing cost
	(d) Return on Equity Ratio: It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. The ratio is computed as: (Net Profits after taxes less Preference Dividend (if any)) divided by Average Shareholder's Equity	0.0072	-0.0068	-207%	Profit in current year increased over last year's loss





<p>(e) Inventory turnover ratio: This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory. Inventory turnover ratio is calculated as Cost of goods sold OR sales divided by Average Inventory.</p>	-	-	-	0%	
<p>(f) Trade Receivables turnover ratio: It measures the efficiency at which the firm is managing the receivables.</p> <p>Trade receivables turnover ratio = Net Credit Sales / Avg. Accounts Receivable</p> <p>Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables.</p> <p>Average trade debtors = (Opening + Closing balance / 2)</p> <p>When the information about credit sales, opening and closing balances of trade debtors is not available then the ratio can be calculated by dividing total sales by closing balances of trade receivables.</p>	2.37	3.06	-23%		
<p>(g) Trade payables turnover ratio: It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors.</p>	1.71	2.07	-17%		
<p>(h) Net capital turnover ratio: It indicates a company's effectiveness in using its working capital. The working capital turnover ratio is calculated as follows: net sales divided by the average amount of working capital during the same period. Net capital turnover ratio = Net Sales / Working Capital</p> <p>Net sales shall be calculated as total sales minus sales returns.</p> <p>Working capital shall be calculated as current assets minus current liabilities.</p>	-1.28	-0.79	61%		Revenue from operations increased compared to last year.
<p>(i) Net profit ratio: It measures the relationship between net profit and sales of the business.</p>	0.1134	-0.0755	-250%		Net profit and revenue from operations increased.
<p>(j) Return on Capital employed: Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.</p> <p>ROCE = Earning before interest and taxes / Capital Employed</p> <p>Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability</p>	0.0909	0.1001	-9%		

(k) Return on investment (ROI) is a financial ratio used to calculate the benefit received by the company in relation to its investment cost. The higher the ratio, the greater the benefit earned.				
(i) ROI on Equity Investment in Unlisted Subsidiaries: Dividend/Average Investment in Equity of Subs.	0	0	0	0%
(ii) ROI on Equity Investment in Joint ventures: ROI = Dividend Received/ Average Investment in Equity of IV	0	0	0	0%
(iii) ROI on Fixed Income Investment (Bonds/Debtentures etc.) = Interest income/ Average Investment	0	0	0	0%
(iv) ROI on Mutual fund = Dividend+Capital gain+Fair value gain(Loss)/Average Investment	0	0	0	0%
(v) ROI on deposits (With Banks, Fis incl ICDs) = Interest income/ Average Investment	0.0739	0.0676		9%

9 Miscellaneous Informations

i. Recent Accounting pronouncements applicable in Financial Year 2024-25

- The Ministry of Corporate Affairs (MCA) has issued several amendments to the Companies (Indian Accounting Standards) Rules, 2015, introducing significant changes to various Figures for previous year have been regrouped wherever necessary, in order to make them comparable.
- ii. Note - 1 and 2 represents Corporate information and Material Accounting Policies respectively, Note 3 to 11 form part of the Balance Sheet and 12 to 13 form part of Statement of Profit & Loss. Note - 16 represents Additional Notes to the Financial Statements.

Signature to Note 1 to 16

For and behalf of Board of Directors

As per our Audit report annexed


(S. K. Behera)

Company Secretary


(B. K. Parida)

Chief Financial Officer


(S. Nayak)

Chief Executive Officer

For Mishra Badhai & Associates
Chartered Accountants
Firm Reg. No. - 322053E


(S. K. Sinha)
Director
DIN: 10368492


(Keshav Rao)
Chairman
DIN: 08651284


(CA Sushil Kumar Badhai)
Partner
(Membership No. 054940)



Date: 11.04.2025
Place: SalmBudhpur.