

**DIRECTORS' REPORT:**

To the members of CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED:

- Your Directors are pleased to present the eleventh (12<sup>th</sup>) Annual Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2020.

**2. FINANCIAL RESULTS**

Particulars	Year Ended 31st March, 2020 (Rs. in Lacs)	Year Ended 31st March, 2019 (Rs. in Lacs)
Profit/(Loss) Before Tax	(1138.48)	(664.34)
Provision for :		
Income Tax	-	(0.14)
Earlier Year Tax	-	-
Profit/(Loss) After Tax	(1138.48)	(664.48)
Balance brought forward from previous year	(3627.45)	(2962.97)
Amount available for appropriation	(1138.48)	(664.48)
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	<b>(4765.93)</b>	<b>(3627.45)</b>

**3. REVIEW OF OPERATIONS**

The Company is 100% subsidiary of M/s Swan Energy Limited (SEL) and has three properties. The status of these properties is as under:

- i- **Sai Tech Park, Bangalore** - It is a developed commercial property, located at the IT park of Whitefield, Bangalore. It comprises 2.96 lac sq. ft & three buildings, all been entirely leased out to Harman Connected Services Corporation India Private Limited (Erstwhile Symphony Teleca Corporation India Private Limited). The annual rent of Rs. 16.90 Crores is used for payment of LRD loan from PNB Housing.
- ii- **Technova Park, Hyderabad** – The commercial property, located at Gachibowli area of Hyderabad, was completed last year and thereafter, an area comprising of 2.92 lakh sq. ft, was leased out to M/s Mahataa Information India Private Limited (Indian subsidiary of Google). The annual rent of Rs. 16.10 Crores is used for payment of LRD loan from HDFC.
- iii- **BTM, Bangaluru** – It is a land, admeasuring 0.75 acre. The company intends to develop it as a residential property.

Apart from the above, the company, through a Joint Development Agreement (JDA), is currently developing a luxury residential project at Yeshwantpur, Bangaluru. The Project will have a built up area of 5,00,000 sq. ft, spread across a 1.75 acre Plot. The Project has 3 buildings of 21 storeys each along with 2 basements for parking as well as 30,000 square feet of amenities for the 120 flats in the building. Once completed, the Project will have a potential top line sale of over Rs. 300 Crore.

All licenses and permissions have been received and currently, 40% of the construction work has been completed. Work is in full swing and is likely to get completed by 2022.

**4. DIVIDEND & RESERVE:**

In view of the losses, the Directors have not recommended any dividend for the year.

The Company has not transferred any amount to the general Reserve during the year.

**5. DEPOSITS:**

The Company has not accepted any fixed deposits from public during the year under review.

**6. EXTRACT OF THE ANNUAL RETURN:**

In terms of provision of Section 134(3) (a) of the Companies Act, 2013, the extract of the Annual Return, as provided under Section 92(3) in Form MGT-9 is annexed to this Report as Annexure 'A'.

**7. NUMBER OF MEETINGS OF THE BOARD:**

During the year under review, 6 (Six) Board Meetings were held on 01<sup>st</sup> April, 2019, 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 12<sup>th</sup> November, 2019, 27<sup>th</sup> January, 2020, 14<sup>th</sup> February, 2020.

**8. PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT:**

The Company has not given any loan, guarantee or made any investment exceeding sixty percent of paid up share capital, free reserve and security premium account or hundred percent of its free reserve and securities premium account, whichever is more, as prescribed in the Section 186 of the Companies Act, 2013.

**9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year, the company has not entered into any contract or arrangement with the related parties and hence, Form AOC-2 is not annexed to this Report.

**10. ISSUE OF EQUITY SHARES:**

The company has not issued equity shares during the financial year.

**11. DIRECTORS:**

During the year, there was no change in directors.

Mr. Paresh V. Merchant, retires by rotation at the ensuing AGM of the Company and being eligible, offers him for re-appointment.

**12. AUDITORS AND AUDITORS' REPORT:**

M/s. N. N. Jambusaria & Co., Chartered Accountants, Mumbai (Registration No. 104030W) were appointed as Statutory auditors of the Company at the 9th AGM held on September 21, 2017 for a term of five consecutive years.

The notes on Financial Statement referred to in the Auditors' Report are self – explanatory and do not call for any further comments.

**13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

In accordance with the provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, regarding conservation of energy, this is to state that the Company has not yet started its commercial operations and has not consumed energy of any significant level and accordingly, no measures are required to be taken for energy conservation.

**14. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

As on 31st March, 2020, the Company does not have any subsidiary, joint venture or associate companies.

**15. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

The Company has consented to mortgage its land situated at BTM, Bengaluru, in favour of SBI Cap Trustee Company Limited for the term loan of Rs. 3152 crore, sanctioned to M/s Swan LNG Private Limited (SLPL), another subsidiary of the holding company.

**16. SIGNIFICANT & MATERIAL ORDERS:**

There is no significant and material order passed by any of the regulators, court of law or tribunals impacting the going concern status of the Company or its operations in future.

**17. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

The Company has been addressing various risks impacting the Company.

**18. DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3) (c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements that

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. they 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. they have prepared the annual accounts on a going concern basis; and
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**19. ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for support and timely assistance from Financial Institutions, Banks, Government Authorities and all its Stakeholders, including shareholders, employees and contractors, who has extended their valuable support to the company.

For and on behalf of the Board of Directors of  
Cardinal Energy and Infrastructure Private Limited



(Paresh V. Merchant)  
Director  
(DIN: 00660027)



(Vivek P. Merchant)  
Director  
(DIN: 06389079)

**Date:** 27<sup>th</sup> July, 2020  
**Place:** Mumbai

**CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED**

Annexure - A

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**as on financial year ended on 31.03.2020**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.**

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U40102MH2008PTC184568
ii	Registration Date	11-07-08
iii	Name of the Company	Cardinal Energy and Infrastructure Private Limited
iv	Category/Sub-category of the Company	Private Limited
v	Address of the Registered office & contact details	6, Feltham House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Lease Rental	6810	100.00%
2			
3			
4			

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Swan Energy Limited	L17100MH1909PLC000294	Holding	100%	2 (46)

CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)  
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian	0	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	6	6	0	0	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	15010000	15010000	100	0	15009994	15009994	100	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>0</b>
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter</b>										
<b>(A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>0</b>

CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED										
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Non Institutions	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>15010000</b>	<b>15010000</b>	<b>100</b>	<b>0</b>	<b>0</b>

(ii)

## SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Swan Energy Limited	15009998	100.00	0	15009994	100.00	0	0
2	Swan Energy Limited jointly held by Nikhil Merchant	1	-	0	0	0	0	0
3	Swan Energy Limited jointly held by Paresh Merchant	1	-	0	0	0	0	0
4	Nikhil Vasantlal Merchant	0	0	0	1	0	0	0
5	Paresh Vasantlal Merchant	0	0	0	1	0	0	0
6	Panna Nikhil Merchant	0	0	0	1	0	0	0
7	Parool Paresh Merchant	0	0	0	1	0	0	0
8	Bhavik Nikhil Merchant	0	0	0	1	0	0	0
9	Vivek Paresh Merchant	0	0	0	1	0	0	0
	<b>Total</b>	<b>15010000</b>	<b>100.00</b>	<b>0</b>	<b>15010000</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

**CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED**

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING:**

Sl. No	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Swan Energy Limited				
	At the beginning of the year	15009998	100.00	15009998	100.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	4	0.00	4	0.00
	At the end of the year	15009994	100.00	15009994	100.00
2	Swan Energy Limited jointly held by Nikhil Merchant				
	At the beginning of the year	1	0.00	1	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	0	0.00	0	0.00
3	Swan Energy Limited jointly held by Paresh Merchant				
	At the beginning of the year	1	0.00	1	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	0	0.00	0	0.00
4	Nikhil Vasantlal Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
5	Paresh Vasantlal Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
6	Panna Nikhil Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
7	Parool Paresh Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00

8	Bhavik Nikhil Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00
9	Vivek Paresh Merchant				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	1	0.00	1	0.00
	At the end of the year	1	0.00	1	0.00

Note: Date of transfer is 14/08/19

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)  
There is no shareholding other than Promoters.

(v) Shareholding of Directors & KMP: NIL

#### V INDEBTEDNESS

(In Rs. lacs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	17747.03	38517.13	2350.25	58614.41
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>17747.03</b>	<b>38517.13</b>	<b>2350.25</b>	<b>58614.41</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	5163.31	246.12	5409.43
Reduction	1808.33	0	0	1808.33
<b>Net Change</b>	<b>-1808.33</b>	<b>5163.31</b>	<b>246.12</b>	<b>3601.1</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	15938.71	43680.44	2596.37	62215.52
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>15938.71</b>	<b>43680.44</b>	<b>2596.37</b>	<b>62215.52</b>

#### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- A. Remuneration to Managing Director, Whole time director and/or Manager: NIL  
B. Remuneration to other directors: NIL  
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL

#### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

During the year, there has been no penalties/ punishment/compounding of offences against the Company, Directors or other officers.

For and on behalf of the Board of Directors

(Paresh V. Merchant)

Director

DIN: 00660027

(Vivek P. Merchant)

Director

DIN: 06389079

Mumbai, 27th July, 2020

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
**CARDINAL ENERGY AND INFRASTRUCTURE PRIVATE LIMITED**

Report on the Audit of Financial Statements ("FS")

#### I. Opinion

We have audited the accompanying financial statements ("FS") of **Cardinal Energy and Infrastructure Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, read with our comments in the Emphasis of Matter paragraph below, the aforesaid "FS" 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 Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the Loss and total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### II. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the "FS" section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the "FS" under the provisions of the 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 is sufficient and appropriate to provide a basis for our audit opinion on the "FS".

#### III. Emphasis of Matter

We draw your attention to Note to the "FS" which explains the management's assessment of the financial impact due to the lock-down and other restrictions and conditions related to the COVID -19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

#### IV. Information other than "FS" and Auditor's Report thereon



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The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the "FS" and our report thereon.

Our opinion on the "FS" does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of "FS", our responsibility is to read the other information and, in doing so, consider, whether the other information is materially inconsistent with the FS 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.

#### **V. Management's responsibility for the "FS"**

1. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act, with respect to the preparation and presentation of these "FS" that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
2. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the "FS" that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. In preparing the "FS", management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
4. The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### **VI. Auditor's responsibilities for the audit of the "FS"**

1. Our objectives are to obtain reasonable assurance about whether the "FS" 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.



2. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.
3. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these "FS".

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

- I. Identify and assess the risks of material misstatement of the "FS", 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.
- II. Obtain an understanding of internal financial controls 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.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the "FS" 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.
- V. Evaluate the overall presentation, structure and content of the "FS", including the disclosures, and whether the "FS" represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide TCWG 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.



## VII. Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) 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.
  - (b) 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;
  - (c) The reports on the accounts of the branch offices of the Company audited under section 143(8) of the Act do not apply to the Company;
  - (d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - (e) In our opinion, the aforesaid "FS" comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) 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 B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The impact of pending litigation as on 31<sup>st</sup> March, 2020 is not expected to be material on the financial position of the company. ;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts as at March 31, 2020 which was required to be transferred to the Investor Education and Protection Fund by the Company.



4. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to explanations given to us, the Company has not paid any remuneration to its directors during the current year and hence, Section 197 of the Act is not applicable.

**For N. N. Jambusaria & Co.**  
**Chartered Accountants**  
**Firm Registration No. 104030W**



**Nimesh N. Jambusaria**  
**Partner**  
**Membership No. 038979**



**Mumbai, July 27, 2020**  
**UDIN: 20038979AAAAEB9870**

**Annexure 'A'**

**To the Independent Auditor's Report on the Financial Statement of Cardinal Energy and Infrastructure Private Limited**

*(Referred to in Paragraph VII (1), under 'Report on other legal and Regulatory Requirements section of our report of even date)*

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As informed to us, the fixed assets have been physically verified by the management during the period according to a phased programme. Considering the size and the nature of business, the frequency of verification is reasonable. No material discrepancies were noticed on such verification by the management between the book records and physical verification.
- c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is not having any inventory and as such clause (ii) is not applicable.
- (iii) The Company has not granted unsecured loans to any company and not any other party covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause (a), (b) & (c) of clause (iii) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the notified Rules framed there under.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as prescribed under Section 148(1) of the Act in respect of its products.
- (vii) (a) According to the information and explanations given to us, undisputed statutory dues including Provident Fund, Employees State Insurance Fund, Income Tax, Sales Tax, Service Tax, Goods and Services tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us, there are no undisputed amounts payable in respect of the above statutory dues, that were outstanding at the year end for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no amounts which are payable in respect of the above statutory dues, which have not been deposited with appropriate authorities on account of any dispute.



- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions/banks/government. The company has not issued any debentures.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. However, the company has raised moneys by way of issue of shares on Right basis. The moneys so raised has been applied for the purpose for which it has been raised.
- (x) Based on the audit procedures performed and as per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid / provided for during the year under review.
- (xii) The Company, not being a Nidhi company, the para 3(xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, in our opinion, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has made preferential allotment of preference shares during the year under review, in compliance with the requirements of Section 62 and 55 of the Act.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, para 3(xv) of the Order and Sec. 192 of Companies Act, 2013 are not applicable.
- (xvi) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For N. N. Jambusaria & Co.**  
**Chartered Accountants**  
**Firm Registration No. 104030W**



**Nimesh N. Jambusaria**  
**Partner**  
**Membership No. 038979**



**Mumbai, July 27, 2020**  
**UDIN: 20038979AAAAAEB9870**

## **Annexure 'B'**

**To the Independent Auditor's Report on the Financial Statement of Cardinal Energy and Infrastructure Private Limited**

*(Referred to in Paragraph VII (2)(g), under 'Report on other legal and Regulatory Requirements' section of our report of even date)*

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

### **Opinion**

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

### **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". 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 Act.

### **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" and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

### **Inherent Limitations of Internal Financial Controls 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.

**For N. N. Jambusaria & Co.**  
**Chartered Accountants**  
**Firm Registration No. 104030W**

*N. N. Jambusaria*

**Nimesh N. Jambusaria**  
**Partner**  
**Membership No. 038979**



**Mumbai, July 27, 2020**  
**UDIN: 20038979AAAAEB9870**

**Cardinal Energy and Infrastructure Private Limited**  
**Balance Sheet as at March 31, 2020**

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>I ASSETS</b>			
<b>A Non-Current Assets</b>			
a Property, Plant and Equipment	3(i)	2,129.73	2,373.38
b Capital Work in Progress	3(ii)	1,639.30	1,133.86
c Investment Property	4	39,870.09	40,515.65
d Non Current Tax Assets	5	412.71	386.98
e Other Non Current Assets	6	378.47	350.73
<b>Total Non Current Asstes (A)</b>		<b>44,430.30</b>	<b>44,760.60</b>
<b>B Current Assets</b>			
a Inventories	7	5,546.65	4,453.94
b Financial Assets			
(i) Cash and Cash Equivalents	8	128.70	538.67
(ii) Bank Balances Other Than (i) above	9	662.70	618.02
(iii) Loans	10	9,805.66	6,997.16
c Other Current Assets	11	681.60	1,358.76
<b>Total Current Assets (B)</b>		<b>16,825.31</b>	<b>13,966.55</b>
<b>TOTAL ASSETS (A+B)</b>		<b>61,255.61</b>	<b>58,727.15</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
a Equity Share Capital	12	1,501.00	1,501.00
b Other Equity	13	(4,765.93)	(3,627.45)
<b>Total Equity (A)</b>		<b>(3,264.93)</b>	<b>(2,126.45)</b>
<b>Liabilities</b>			
<b>B Non-Current Liabilities</b>			
a Financial Liabilities			
(i) Borrowings	14	15,938.71	17,747.03
(ii) Other Financial Liabilities	15	2,596.37	2,350.25
<b>Total Non-Current Liabilities (B)</b>		<b>18,535.08</b>	<b>20,097.28</b>
<b>C Current Liabilities</b>			
a Financial Liabilities			
(i) Borrowings	16	43,680.44	38,517.13
(ii) Trade Payables	17	41.82	127.47
(iii) Other Financial Liabilities	18	1,803.14	1,477.58
b Other Current Liabilities	19	460.06	616.75
c Provisions	20	-	17.38
<b>Total Current Liabilities (C)</b>		<b>45,985.46</b>	<b>40,756.32</b>
<b>TOTAL EQUITY &amp; LIABILITIES (A+B+C)</b>		<b>61,255.61</b>	<b>58,727.15</b>

The accompanying notes 1 & 2 are an integral part of the Standalone financial statements

As per our Report of even date

For N.N.Jambusaria & Co.  
 Chartered Accountants  
 Firm Registration No. 104030W

Nimesh N. Jambusaria  
 Partner  
 M No. 038979



For and on behalf of the Board of Directors

Nikhil V. Merchant Managing Director  
 DIN: 00614790  
 Paresh V. Merchant Director  
 DIN: 00660027

Chetan K. Selarka Chief Financial Officer  
 Arun S. Agarwal Company Secretary

Mumbai, July 27, 2020

Mumbai, July 27, 2020

**Cardinal Energy and Infrastructure Private Limited**  
**Statement of Profit and Loss for year ended March 31, 2020**

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Income:</b>			
Revenue from Operations	21	3,397.55	3,189.26
Other Income	22	92.25	469.78
<b>Total Income</b>		<b>3,489.80</b>	<b>3,659.04</b>
<b>Expenses:</b>			
Cost of Materials Consumed	23	263.87	634.91
(Increase)/Decrease in Finished Goods and Work-in-Progress	24	(1,092.71)	(2,075.47)
Employee Benefit Expenses	25	62.52	39.27
Finance Costs	26	3,900.24	3,556.86
Depreciation and Amortization Expense	3 & 4	914.25	871.97
Other Expenses	27	580.11	1,295.84
<b>Total Expenses</b>		<b>4,628.28</b>	<b>4,323.38</b>
<b>Profit/(Loss) before Tax</b>		<b>(1,138.48)</b>	<b>(664.34)</b>
<b>Tax Expense:</b>			
(1) Current tax		-	-
(2) Short/(Excess) Provisions of Previous Years		-	0.14
(3) Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>(1,138.48)</b>	<b>(664.48)</b>
Other Comprehensive Income for the year		-	-
<b>Total Comprehensive Income for the year</b>		<b>(1,138.48)</b>	<b>(664.48)</b>
<b>Earnings Per Equity Share</b>	<b>30</b>		
Basic and diluted ( in ₹ )		(7.58)	(4.43)

The accompanying notes 1 & 2 are an integral part of the Standalone financial statements

As per our Report of even date

For N.N.Jambusaria & Co.  
Chartered Accountants  
Firm Registration No. 104030W



**Nimesh N. Jambusaria**  
Partner  
M No. 038979



For and on behalf of the Board of Directors



**Nikhil V. Merchant**  
Managing Director  
DIN: 00614790

**Paresh V. Merchant**  
Director  
DIN: 00660027

  
**Chetan K. Selarka**  
Chief Financial Officer

  
**Arun S. Agarwal**  
Company Secretary

Mumbai, July 27, 2020

Mumbai, July 27, 2020

## Cardinal Energy and Infrastructure Private Limited

### Statement of Changes in Equity for year ended March 31, 2020 (SOCIE)

#### (a) Equity Share Capital (Refer Note No.12)

Particulars	No. of Shares	(₹ in Lakhs)
Balance as at April 1, 2018	1,50,10,000	1,501.00
Changes in Equity Share Capital during the year	-	-
Balance as at March 31, 2019	1,50,10,000	1,501.00
Changes in Equity Share Capital during the year	-	-
Balance as at March 31, 2020	1,50,10,000	1,501.00

#### (b) Other Equity (Refer Note No.13)

Particulars	Retained Earnings	Total
Balance as at April 1, 2018	(2,962.97)	(2,962.97)
Profit/(Loss) for the year	(664.48)	(664.48)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(664.48)	(664.48)
Balance as at March 31, 2019	(3,627.45)	(3,627.45)
Profit/(Loss) for the year	(1,138.48)	(1,138.48)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(1,138.48)	(1,138.48)
Balance as at March 31, 2020	(4,765.93)	(4,765.93)

The accompanying notes 1 & 2 are an integral part of the Standalone financial statements

As per our Report of even date

For N.N.Jambusaria & Co.

Chartered Accountants

Firm Registration No. 104030W

Nimesh N. Jambusaria

Partner

M No. 038979



For and on behalf of the Board of Directors

Nikhil V. Merchant

Managing Director

DIN: 00614790

Chetan K. Selarka  
Chief Financial Officer

Paresh V. Merchant

Director

DIN: 00660027

Arun S. Agarwal  
Company Secretary

Mumbai, July 27, 2020

Mumbai, July 27, 2020

**Cardinal Energy and Infrastructure Private Limited**  
Cash Flow Statement for year ended March 31, 2020

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>A Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax	(1,138.48)	(664.34)
Adjustments for :		
Depreciation	914.25	871.97
Considered Separately:		
Interest Expenses	3,900.24	3,556.86
Interest Income	(92.25)	(469.78)
<b>Operating Profit before Working Capital Changes</b>	<b>3,583.76</b>	<b>3,294.71</b>
Adjustments for :		
Decrease/(Increase) in Other Non Current Assets	(27.75)	57.80
(Increase) in Other Inventory	(1,092.71)	(2,075.47)
Decrease / (Increase) in Trade Receivable	-	1.58
Decrease/(Increase) in Other Financial Assets	-	78.61
(Increase) / Decrease in Other Current Assets	677.17	(386.79)
Increase/(Decrease) in Other Financial Liabilities (Non-Current)	246.13	222.74
(Decrease) / Increase in Provisions	(17.38)	17.38
(Decrease) / Increase in Trade Payables	(85.65)	(354.74)
Increase / (Decrease) in Other Current Liabilities	(156.69)	(145.09)
<b>Cash generated from operations</b>	<b>3,126.88</b>	<b>710.73</b>
Direct Taxes (Paid)/Received	(25.73)	(101.93)
<b>Net Cash from Operating Activities ( A )</b>	<b>3,101.15</b>	<b>608.80</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(25.03)	-
Increase in Capital Work In Progress (Net)	(505.44)	(328.97)
Loan to / (Refund) of Loan from Related Parties	(8,317.65)	(1,456.01)
Loan to / (Refund) of Loan from Other Parties	5,509.12	(385.83)
Interest Income	92.25	469.78
<b>Net Cash from Investing Activities ( B )</b>	<b>(3,246.75)</b>	<b>(1,701.03)</b>
<b>C Cash Flow from Financing Activities</b>		
Loan from / (Refund) of Loan to Related Parties	(4,731.45)	(525.60)
(Refund) of / Loan from Other Parties	9,894.76	6,154.32
Interest Expenses	(3,900.24)	(3,556.86)
(Repayment) / Proceed of Term Loan	(1,482.76)	(1,210.60)
<b>Net Cash from Financing Activities ( C )</b>	<b>(219.69)</b>	<b>861.26</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(365.29)</b>	<b>(230.97)</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1,156.69</b>	<b>1,387.66</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>791.40</b>	<b>1,156.69</b>

The accompanying notes 1 & 2 are an integral part of the Standalone financial statements

As per our Report of even date

For N.N.Jambusaria & Co.  
Chartered Accountants  
Firm Registration No. 104030W

For and on behalf of the Board of Directors

Nimesh N. Jambusaria  
Partner  
M No. 038979



Mumbai, July 27, 2020

Nikhil V. Merchant Managing Director  
DIN: 00614790

Paresh V. Merchant Director  
DIN: 00660027

Chetan K. Selarka  
Chief Financial Officer

Arun S. Agarwal  
Company Secretary

Mumbai, July 27, 2020

# Cardinal Energy and Infrastructure Private Limited

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

### 1. CORPORATE INFORMATION:

Cardinal Energy and Infrastructure Private Limited ('CEIPL' or 'the Company') is a private limited Company incorporated and domiciled in India and has its registered office at 6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001., India. The Company is Subsidiary Company of M/s. Swan Energy Limited, which is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

The Company is engaged mainly in Real estate business, mainly construction and renting of properties.

### 2. BASIS OF COMPLIANCE, BASIS OF PREPARATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS AND SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1. Basis of compliance:

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

#### 2.2. Basis of preparation and presentation:

The financial statements have been prepared under historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

#### Current and Non – Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2020 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on July 27, 2020.



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.3. Use of Judgements and Estimates:

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

- a. Estimates of useful lives and residual value of property, plant and equipment and intangible assets;
- b. Measurement of defined benefit obligations;
- c. Measurement and likelihood of occurrence of provisions and contingencies;
- d. Impairment of investments;
- e. Recognition of deferred tax assets; and
- f. Measurement of recoverable amounts of cash-generating units.

#### 2.4. Property, plant and equipment:

2.4.1. Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any;

2.4.2. The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use);

2.4.3. Machinery spares that meet the definition of property, plant and equipment are capitalised;

2.4.4. Property, plant and equipment which are not ready for intended use as on date of Balance Sheet are disclosed as "Capital work-in-progress";



## Cardinal Energy and Infrastructure Private Limited

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

2.4.5. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred;

2.4.6. An item of property, plant and equipment and any significant part initially recognised separately as part of property, plant and equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised;

2.4.7. Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Act. Assets costing Rs. 5,000/- or less are charged to the Statement of Profit & Loss in the year of purchase;

2.4.8. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment;

2.4.9. Depreciation on spare parts specific to an item of property, plant and equipment is based on life of the related property, plant and equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment;

2.4.10. Leasehold land is amortised over the primary lease period. Other assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives;

2.4.11. Freehold land is not depreciated;

2.4.12. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates;



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.5. Intangible Assets:

2.5.1. Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably;

2.5.2. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any;

2.5.3. The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives.

2.5.4. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses);

2.5.5. The estimated useful life is reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates;

#### 2.6. Investment property:

2.6.1. Investment property is property (land or a building — or part of a building — or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any;

2.6.2. Any gain or loss on disposal of investment property is calculated as the difference between the net proceeds from disposal and the carrying amount of the investment property is recognised in Statement of Profit and Loss;

#### 2.7. Non-currents assets held for sale:

2.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets;

2.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell;

2.7.3. Non – current assets classified as held for sale are not depreciated or amortized from the date when they are classified as held for sale.



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.8. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration. The Company shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

##### As a Lessee

At the commencement date, company recognises a right-of-use (RoU) asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. The Lease Payments shall be discounted using Company's incremental borrowing rate on periodic basis. Subsequently, RoU asset is depreciated over lease term and lease liability is reduced as payments are made and an imputed finance cost on lease liability is recognised in Statement of Profit and Loss using the Company's incremental borrowing rate.

If a lease, at the commencement date, has a lease term of 12 months or less, it is treated as Short term lease. Lease payments associated with short term leases are treated as an expense on systematic basis.

##### As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

##### Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Company shall recognise assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

##### Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Company shall recognise lease payments from operating leases as income on systematic basis in the pattern which benefit from the use of the underlying asset is diminished.

#### 2.9. Impairment of Non-financial Assets:

2.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised;

2.9.2. The recoverable amount is the higher of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.



# Cardinal Energy and Infrastructure Private Limited

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

### 2.10. Inventories:

2.10.1. Inventories comprising Closing stock of finished goods, raw material and consumables and spares are valued at lower of cost (on weighted average) and net realisable value after providing for obsolescence and other losses, where considered necessary;

2.10.2. Cost includes all charges in bringing the goods to their present location and condition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty;

2.10.3. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.11. Investment in Subsidiaries:

Investments in equity shares of Subsidiaries are recorded at cost and reviewed for impairment at each reporting date.

### 2.12. Fair Value measurement:

2.12.1. The Company measures certain financial instruments at fair value at each reporting date;

2.12.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities;

2.12.3. 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk;

2.12.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out;



## Cardinal Energy and Infrastructure Private Limited

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

**2.12.5.** While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs);

**2.12.6.** When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis;

**2.12.7.** If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction;

**2.12.8.** The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

### 2.13. Financial Instruments:

#### 13.1. Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss, its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.



# Cardinal Energy and Infrastructure Private Limited

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

### Trade Receivables and Loans:

Trade receivables and loans are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Debt instruments:

Debt instruments are subsequently measured at amortised cost, FVOCI or FVTPL till de-recognition on the basis of:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

#### Measured at FVOCI:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at FVOCI. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

#### Measured at FVTPL:

Financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.



# Cardinal Energy and Infrastructure Private Limited

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

### Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

### De-recognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset;

### Redeemable Preference shares:

Redeemable preference share are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non convertible instrument. This amount is classified as financial liability measured at amortized cost (net of transaction cost) until it is extinguished on redemption.

Transaction cost are apportioned between the liability and equity component of the redeemable preference share based on the allocation of the proceed to the liability and equity component when the instrument are initially recognized.



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.13.2. Financial Liabilities:

##### Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as FVTPL. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

##### Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

##### De-recognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires;

#### 2.13.3. Financial guarantees:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation;

#### 2.13.4. Derivative financial instruments:

The Company uses derivative financial instruments to manage the exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative;

#### 2.13.5. Embedded derivatives:

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows;



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.13.6. 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, or to realise the assets and settle the liabilities simultaneously.

#### 2.14. Revenue Recognition:

##### 2.14.1. Sale of goods:

The Company is engaged in the Business of development and renting of immovable property. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies).

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Further Sales from real estate are net of cancellation of sale and amount payable to the developer and taxes, if any.

#### Trade Receivables

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

#### Contract liabilities

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

#### 2.14.2. Rendering of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.



## Cardinal Energy and Infrastructure Private Limited

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

- 2.14.3. Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis;
- 2.14.4. Income from sale of scrap is accounted for on realisation;
- 2.14.5. Interest income is recognized using the effective interest rate (EIR) method;
- 2.14.6. Dividend income on investments is recognised when the right to receive dividend is established;
- 2.14.7. Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
- 2.14.8. Rent for the immovable properties is recognised on accrual basis as per the respective agreements with the parties.

### 2.15. Employee Benefits:

#### 2.15.1. Short-term employee benefits:

Short-term employee benefits (including leave) are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered;

#### 2.15.2. Post-employment benefits:

The Company operates the following post – employment schemes:

- Defined contribution plans such as provident fund; and
- Defined benefit plans such as gratuity

#### Defined Contribution Plans:

Obligations for contributions to defined contribution plans such as provident fund are recognised as an expense in the Statement of Profit and Loss as the related service is provided.



# Cardinal Energy and Infrastructure Private Limited

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

### Defined Benefit Plans:

The Company's net obligation in respect of defined benefit plans such as gratuity is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for 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 reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

### **2.16. Borrowing costs:**

**2.16.1.** Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs;

**2.16.2.** Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss;

**2.16.3.** Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

### **2.17. Foreign Currency Transactions:**

**2.17.1.** The financial statements are presented in INR, the functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates);



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.17.2. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of March 31, 2020 which are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over balance period of liability) are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

#### 2.17.3. Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### 2.18. Government Grants:

2.18.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with;

2.18.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed;

2.18.3. Government grants relating to property, plant and equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

#### 2.19. Provisions and Contingent Liabilities:

2.19.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation;

2.19.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any;

2.19.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost;



## Cardinal Energy and Infrastructure Private Limited

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

**2.19.4.** Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability;

**2.19.5.** Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

### **2.20. Taxes on Income**

#### **2.20.1. Current Tax**

Income-tax Assets and Liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity;

#### **2.20.2. Deferred tax**

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow 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 year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



## Cardinal Energy and Infrastructure Private Limited

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

#### 2.21. Earnings per share

2.21.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period;

2.21.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

#### 2.22. Cash and Cash equivalents:

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

#### 2.23. Cash Flows:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

#### 2.24. Dividend:

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



# Cardinal Energy and Infrastructure Private Limited

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

### 3(i) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Plant & Machinery	Computers	Furniture, Fixtures & Equipments	Office Equipments	Tangibles Total
<b>Gross Carrying Value</b>					
As at April 01, 2018	1,593.89	2.91	620.44	1,371.02	3,588.26
Additions	-	-	-	-	-
Deductions	-	-	-	-	-
As at March 31, 2019	1,593.89	2.91	620.44	1,371.02	3,588.26
Additions	22.78	0.89	-	1.36	25.03
Deductions	-	-	-	-	-
As at March 31, 2020	1,616.67	3.80	620.44	1,372.38	3,613.29
<b>Accumulated depreciation</b>					
As at April 01, 2018	246.71	2.76	294.49	433.82	977.78
Depreciation expense	86.89	-	61.69	88.52	237.10
Deductions	-	-	-	-	-
As at March 31, 2019	333.60	2.76	356.18	522.34	1,214.88
Depreciation expense	118.24	0.21	61.69	88.54	268.68
Deductions	-	-	-	-	-
As at March 31, 2020	451.84	2.97	417.87	610.88	1,483.56
<b>Carrying Amount</b>					
As at March 31, 2020	1,164.83	0.83	202.57	761.50	2,129.73
As at March 31, 2019	1,260.29	0.15	264.26	848.68	2,373.38

### 3(ii) Capital Work in Progress

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	1,133.86	804.89
Addition during the year	505.44	328.97
Adjustment during the year	-	-
Balance at the end of the year	1,639.30	1,133.86



## Cardinal Energy and Infrastructure Private Limited

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

#### 4 Investment Property

( ₹ in Lakhs)

Particulars	Land	Buildings	Total
<b>Gross Carrying Value</b>			
As at April 01, 2018	2,573.06	40,838.28	43,411.34
Additions	-	-	-
Deductions	-	-	-
As at March 31, 2019	2,573.06	40,838.28	43,411.34
Additions	-	-	-
Deductions	-	-	-
As at March 31, 2020	2,573.06	40,838.28	43,411.34
<b>Accumulated depreciation</b>			
As at April 01, 2018	-	2,260.82	2,260.82
Depreciation expense	-	634.87	634.87
Deductions	-	-	-
As at March 31, 2019	-	2,895.69	2,895.69
Depreciation expense	-	645.56	645.56
Deductions	-	-	-
As at March 31, 2020	-	3,541.25	3,541.25
<b>Carrying Amount</b>			
As at March 31, 2020	2,573.06	37,297.03	39,870.09
As at March 31, 2019	2,573.06	37,942.59	40,515.65

#### Amount Recognised in Profit and Loss for Investment Properties

( ₹ in Lakhs)

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
(a) Rental Income	3,189.32	3,189.26
(b) Depreciation	645.56	634.87
(c) Finance Cost	3,145.37	2,921.34
(d) Direct Operating Expenses from Property that generated rental income	134.93	113.00
<b>Loss from Investment Property ( (a)-(b)-( c )-(d) )</b>	<b>(736.54)</b>	<b>(479.95)</b>



## Cardinal Energy and Infrastructure Private Limited

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

#### 5 Non Current Tax Assets

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Advance Tax /TDS Receivable (Net of Provision)	412.71	386.98
<b>Total</b>	<b>412.71</b>	<b>386.98</b>

#### 6 Other Non Current Assets

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Security Deposits	378.47	350.73
<b>Total</b>	<b>378.47</b>	<b>350.73</b>

#### 7 Inventories

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Work in Progress	5,546.65	4,453.94
	<b>5,546.65</b>	<b>4,453.94</b>

#### 8 Cash and cash equivalents

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Cash in hand	6.57	6.48
<b>Balances with banks</b>		
In Current Accounts	122.13	532.19
<b>Total</b>	<b>128.70</b>	<b>538.67</b>

#### 9 Bank Balances Other Than Cash and cash equivalents

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
<b>Balances with banks</b>		
In Deposit Accounts (where maturity does not exceed twelve months)	662.70	618.02
<b>Total</b>	<b>662.70</b>	<b>618.02</b>

#### 10 Loans

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
<b>(Unsecured, Considered goods unless other - wise stated)</b>		
<b>Loans to Related Parties</b>		
Loan to Holding Company	9,729.55	1,206.26
Loan to Other Related Parties	44.12	249.76
<b>Loans to other than Related Parties</b>		
Loan to Employees	1.47	1.55
Loan to Others	30.52	5,539.59
<b>Total</b>	<b>9,805.66</b>	<b>6,997.16</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 11 Other Current Assets

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Prepaid Expenses	35.46	63.82
Other Advances	-	674.15
Security Deposit	15.08	16.79
Advance to Suppliers	168.83	194.29
Input Tax Credit	462.23	409.71
<b>Total</b>	<b>681.60</b>	<b>1,358.76</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 12 Share Capital

#### (a) Authorised Share Capital:

Particulars	March 31, 2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
5,00,00,000 Equity shares of ₹ 10/- each	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

#### (b) Issued, subscribed and paid up:

Particulars	March 31, 2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
1,50,10,000 Equity shares of ₹ 10/- each fully paid up	1,501.00	1,501.00
<b>Total</b>	<b>1,501.00</b>	<b>1,501.00</b>

#### (c) A reconciliation of the number of shares outstanding is set out below:

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Outstanding At the beginning of the year	1,50,10,000	1,501.00	1,50,10,000	1,501.00
Outstanding At the end of the year	1,50,10,000	1,501.00	1,50,10,000	1,501.00

#### Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of ₹ 1 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (d) Details of shareholders, holding more than 5% shares in the company:

Name of the Shareholder	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Swan Energy Limited	1,50,10,000	100.00	1,50,10,000	100.00

### 13 Other Equity

Particulars	March 31, 2020		March 31, 2019	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>Retained Earnings</b>				
At the beginning of the year	(3,627.45)		(2,962.97)	-
Add: Profit/(Loss) during the year	(1,138.48)		(664.48)	
At the end of the year		(4,765.93)		(3,627.45)
<b>Total</b>		<b>(4,765.93)</b>		<b>(3,627.45)</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 14 Borrowings

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
<b>Secured Loan</b>		
From Banks (Term Loan)	15,938.71	17,747.03
<b>Total</b>	<b>15,938.71</b>	<b>17,747.03</b>

#### Term loan from Banks / NBFC include:

- PNB Housing Finance Limited loan: ₹ 7,831.24 Lakhs (as at March 31, 2019: ₹ 9,176.01 Lakhs) is secured by the Whitefield property at Bengaluru.
- HDFC LTD Loan: ₹ 8,107.47 Lakhs (as at March 31, 2019: ₹ 8,571.02 Lakhs) is secured by Gachibowli property at Hyderabad.

### 15 Other Financial Liabilities

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Security Deposit	2,596.37	2,350.25
<b>Total</b>	<b>2,596.37</b>	<b>2,350.25</b>

### 16 Borrowings

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
<b>Unsecured</b>		
<b>Loan from related parties</b>		
Loan from Fellow Subsidiary	1,754.03	8,185.48
Loan from Other Related Parties	1,700.00	-
<b>Loan from Other than related parties</b>		
Loan from Other Parties	40,226.41	30,331.65
<b>Total</b>	<b>43,680.44</b>	<b>38,517.13</b>

### 17 Trade Payables

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Due to Micro and Small Enterprises	-	-
Others	41.82	127.47
<b>Total</b>	<b>41.82</b>	<b>127.47</b>

Note - In absence of information regarding dues outstanding to Micro, Small and Medium Enterprise, the Company has not classified the payables outstanding to Micro, Small and Medium Enterprise.



# Cardinal Energy and Infrastructure Private Limited

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

### 18 Other Financial Liabilities

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
<b>Current Maturities of Non-Current Borrowings</b>		
From Banks (Term Loan)	1,803.14	1,477.58
<b>Total</b>	<b>1,803.14</b>	<b>1,477.58</b>

#### Current maturities of Non-Current Borrowings includes:

- PNB Housing Finance Limited Loan: ₹ 1,345.26 Lakhs (as at March 31, 2019: ₹ 1,193.61 Lakhs) is secured by the Whitefield property at Bengaluru.
- HDFC LTD Loan: ₹ 457.88 Lakhs (as at March 31, 2019: ₹ 283.97 Lakhs) is secured by Gachibowli property at Hyderabad.

### 19 Other Current Liabilities

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Income Received in Advance	221.20	429.44
Retention Amount	71.04	48.35
Statutory Dues Payable	167.82	138.97
<b>Total</b>	<b>460.06</b>	<b>616.76</b>

### 20 Provisions

Particulars	March 31,2020	March 31, 2019
	₹ in Lakhs	₹ in Lakhs
Provision for Expenses	-	17.38
<b>Total</b>	<b>-</b>	<b>17.38</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 21 Revenue from Operations

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
<b>Other Operating Revenues</b>		
Rental Income from Investment Property	3,397.55	3,189.26
<b>Total</b>	<b>3,397.55</b>	<b>3,189.26</b>

### 22 Other Income

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
Interest Income	92.25	469.78
<b>Total</b>	<b>92.25</b>	<b>469.78</b>

### 23 Cost of Materials consumed

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
Material used in Construction Activities	263.87	634.91
<b>Total</b>	<b>263.87</b>	<b>634.91</b>

### 24 Change in Inventories

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
<b>Work in Progress</b>		
Opening Stock	4,453.94	2,378.47
Closing Stock	5,546.65	4,453.94
<b>Changes in Inventory Work in Progress</b>	<b>(1,092.71)</b>	<b>(2,075.47)</b>

### 25 Employee benefit expenses

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
Salaries Wages and bonus	61.83	38.80
Staff Welfare Expenses	0.69	0.47
<b>Total</b>	<b>62.52</b>	<b>39.27</b>

### 26 Finance Costs

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
Interest expense	3,900.24	3,556.86
<b>Total</b>	<b>3,900.24</b>	<b>3,556.86</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 27 Other Expenses

Particulars	Apr'19-Mar'20	Apr'18-Mar'19
	₹ in Lakhs	₹ in Lakhs
Architect Fees	7.14	21.06
Audit Fees	1.02	0.75
Communication cost	0.70	0.25
Insurance Charges	7.66	7.04
Lease Rent	-	0.81
Legal & Professional fees	73.96	68.31
Other Development Expenses	268.42	927.44
Power & Fuel	12.45	9.80
Printing & Stationery	2.61	0.06
Rates & Taxes	159.15	181.44
Repairs & Maintenance other	-	18.91
Security Charges	25.76	20.68
Travelling & Conveyance Charges	10.67	14.37
Miscellaneous Expenses	10.57	24.92
<b>Total</b>	<b>580.11</b>	<b>1,295.84</b>



# Cardinal Energy and Infrastructure Private Limited

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

### 28 Financial Instruments - Fair Values and Risk Management

#### Accounting classification and fair values

#### A Carrying Value as on reporting date & Fair Value hierarchy:

The following table shows carrying amount and fair values of financial assets and financial liabilities, including their levels in fair value hierarchy. It does not include fair value information of financial assets and liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

(₹ in Lakhs)

Particulars	March 31, 2020				Fair Value hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
(i) Cash and Cash Equivalents	-	-	128.70	128.70	-	-	128.70	128.70
(ii) Bank Balances Other Than (i) above	-	-	662.70	662.70	-	-	662.70	662.70
(iii) Loans	-	-	9,805.66	9,805.66	-	-	9,805.66	9,805.66
<b>Total</b>	-	-	<b>10,597.06</b>	<b>10,597.06</b>	-	-	<b>10,597.06</b>	<b>10,597.06</b>
<b>Financial Liabilities</b>								
(i) Borrowings	-	-	43,680.44	43,680.44	-	-	43,680.44	43,680.44
(ii) Trade Payables	-	-	41.82	41.82	-	-	41.82	41.82
(iii) Other Financial Liabilities	-	-	1,803.14	1,803.14	-	-	1,803.14	1,803.14
<b>Total</b>	-	-	<b>45,525.40</b>	<b>45,525.40</b>	-	-	<b>45,525.40</b>	<b>45,525.40</b>

(₹ in Lakhs)

Particulars	March 31, 2019				Fair Value hierarchy			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
(i) Cash and Cash Equivalents	-	-	538.67	538.67	-	-	538.67	538.67
(ii) Bank Balances Other Than (i) above	-	-	618.02	618.02	-	-	618.02	618.02
(iii) Loans	-	-	6,997.16	6,997.16	-	-	6,997.16	6,997.16
<b>Total</b>	-	-	<b>8,153.85</b>	<b>8,153.85</b>	-	-	<b>8,153.85</b>	<b>8,153.85</b>
<b>Financial Liabilities</b>								
(i) Borrowings	-	-	38,517.13	38,517.13	-	-	38,517.13	38,517.13
(ii) Trade Payables	-	-	127.47	127.47	-	-	127.47	127.47
(iii) Other Financial Liabilities	-	-	1,477.58	1,477.58	-	-	1,477.58	1,477.58
<b>Total</b>	-	-	<b>40,122.18</b>	<b>40,122.18</b>	-	-	<b>40,122.18</b>	<b>40,122.18</b>

With respect to disclosure of fair value of financial instruments such as cash and cash equivalents, other bank balances, trade receivables and other receivables, other current and non current financial assets, borrowings and other current financial liabilities at March 31, 2020 and March 31, 2019 are similar to carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.





# Cardinal Energy and Infrastructure Private Limited

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

### b Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company manages its liquidity risk by preparing monthly cash flow projections to monitor liquidity requirements. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring the Balance Sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### i Exposure to Liquidity Risk

The company has outstanding borrowing through Current and Non-Current borrowings from Banks / NBFCs and third parties.

Carrying amounts are as below

(₹ in Lakhs)

Particulars	March 31, 2020			
	Carrying Amount	Within 1 Year	Between 1-5 years	More than 5 Years
Borrowings - (Non-Current)	15,938.71	-	15,938.71	-
Other Financial Liabilities (Non-Current)	2,596.37	-	2,596.37	-
Borrowings* - (Current)	43,680.44	43,680.44	-	-
Trade Payables	41.82	41.82	-	-
Other Financial Liabilities (Current)	1,803.14	1,803.14	-	-
<b>Total</b>	<b>64,060.48</b>	<b>45,525.40</b>	<b>18,535.08</b>	-

Carrying amounts are as below

(₹ in Lakhs)

Particulars	March 31, 2019			
	Carrying Amount	Within 1 Year	Between 1-5 years	More than 5 Years
Borrowings - (Non-Current)	17,747.03	-	17,747.03	-
Other Financial Liabilities (Non-Current)	2,350.25	-	2,350.25	-
Borrowings* - (Current)	38,517.13	38,517.13	-	-
Trade Payables	127.47	127.47	-	-
Other Financial Liabilities (Current)	1,477.58	1,477.58	-	-
<b>Total</b>	<b>60,219.46</b>	<b>40,122.18</b>	<b>20,097.28</b>	-

\* The amount shown under 'Borrowings - (Current)' are advances received from Fellow Subsidiary and Third Parties. These have been received in the ordinary course of business and are repayable on demand.





# Cardinal Energy and Infrastructure Private Limited

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

### 30 Earning Per Share

Sr. No.	Particulars	Apr'19-Mar'20	Apr'18-Mar'19
i)	Net profit/(Loss) after tax as per Statements of Profit & Loss attributable to Equity Shareholders ( ₹ In Lakhs)	(1,138.48)	(664.48)
ii)	Weighted average number of shares used as denomination for calculating Basic and Diluted earning	1,50,10,000	1,50,10,000
iii)	Face value of shares ( ₹ Per Share)	10.00	10.00
iv)	Basic/Diluted earning per share ( in ₹)	(7.58)	(4.43)

### 31 Payment to Auditors

( ₹ in Lakhs)

Sr. No.	Particulars	Apr'19-Mar'20	Apr'18-Mar'19
i)	Statutory Audit Fees	0.50	0.50
ii)	Tax Audit Fees	0.25	0.25
iii)	In Other Capacity	0.44	0.25

### 32 Related Party Disclosures, as required by Ind AS 24 are given below:

#### A List of Related Parties

Sr No.	Name of the parties	Relationship	
i)	Swan Energy Limited	Holding Company	
ii)	Pegasus Ventures Private Limited	Fellow - Subsidiaries	
iii)	Swan Desilting Private Limited		
iv)	Mr. Nikhil V. Merchant - Managing Director	Key Management Personnel	
v)	Mr. Paresh V. Merchant - Director		
vi)	Mr. Bhavik N. Merchant - Director		
vii)	Mr. Vivek P. Merchant - Director		
viii)	Mr. Chetan K. Selarka - Chief Financial Officer		
ix)	Mr. Arun S. Agarwal - Company Secretary		
x)	Gazdar Bandh Developers Private Limited		Enterprise over which key Management personnel is able to exercise significant influence
xi)	Altamount Estates Private Limited		
xii)	Sadavir Trading Private Limited		
xiii)	Ami Tech (India) Private Limited		
xiv)	Swan Constructions Private Limited		

#### B (i) Transaction during the year Apr'19-Mar'20 with Related Parties

( ₹ In Lakhs)

Sr. No.	Name of the Company	Opening Payable/ (Receivable)	Advances Taken/ Received Back	(Advances Given)/ (Paid Back)	Closing Payable/ (Receivable)
i)	Swan Energy Limited	(1,206.26)	3,676.87	(12,200.16)	(9,729.55)
ii)	Pegasus Ventures Private Limited	8,185.48	15.00	(6,446.45)	1,754.03
iii)	Swan Desilting Private Limited	-	-	(10.00)	(10.00)
iv)	Gazdar Bandh Developers Private Limited	(140.84)	205.00	(82.26)	(18.10)
v)	Altamount Estates Private Limited	-	-	(0.10)	(0.10)
vi)	Sadavir Trading Private Limited	-	-	(0.58)	(0.58)
vii)	Ami Tech (India) Private Limited	-	1,700.00	-	1,700.00
viii)	Swan Constructions Private Limited	(108.92)	100.00	(6.42)	(15.34)
	<b>Total</b>	<b>6,729.46</b>	<b>5,696.87</b>	<b>(18,745.97)</b>	<b>(6,319.64)</b>

#### B (ii) Transaction during the year Apr'18-Mar'19 with Related Parties

( ₹ In Lakhs)

Sr. No.	Name of the Company	Opening Payable/ (Receivable)	Advances Taken/ Received Back	(Advances Given)/ (Paid Back)	Closing Payable/ (Receivable)
i)	Swan Energy Limited	8,711.08	5,955.23	(15,872.57)	(1,206.26)
ii)	Pegasus Ventures Private Limited	-	8,380.00	(194.52)	8,185.48
iii)	Gazdar Bandh Developers Private Limited	-	-	(140.84)	(140.84)
iv)	Swan Constructions Private Limited	-	-	(108.92)	(108.92)
	<b>Total</b>	<b>8,711.08</b>	<b>14,335.23</b>	<b>(16,316.85)</b>	<b>6,729.46</b>

# Cardinal Energy and Infrastructure Private Limited

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

### 33 Standards issued but not effective

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

### 34 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity. The primary objective of the company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies, or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

### 35 Estimation of uncertainties relating to the global health pandemic from COVID-19

In view of the outbreak of Coronavirus (COVID-19) pandemic globally, the Company's business operations were temporarily disrupted. The Company has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of assets after considering internal and external sources of information including the possible future uncertainties in the global economic conditions as at the date of approval of these financial results and has determined that none of these balances require a material adjustment to their carrying value. The Company continues to closely monitor the rapidly changing situation.

### 36 Previous Year's figures are regrouped/rearranged wherever necessary.

As per our report of even date

For N.N.Jambusaria & Co.  
Chartered Accountants  
Firm Registration No. 104030W

For and on behalf of the Board of Directors



Nimesh N. Jambusaria  
Partner  
M No. 038979



Mumbai, July 27, 2020



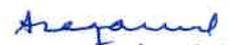
Nikhil V. Merchant  
Managing Director  
DIN: 00614790



Paresh V. Merchant  
Director  
DIN: 00660027



Chetan K. Selarka  
Chief Financial Officer



Arun S. Agarwal  
Company Secretary

Mumbai, July 27, 2020