



INDEPENDENT AUDITOR'S REPORT

To the Members of Utkal Coal Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Utkal Coal Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 31st March, 2020, its loss (including other comprehensive income), changes in equity and its cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ('SAs'). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and 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 financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 22 in the financial statements which indicates that due to the events or conditions as mentioned in the said Note, material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note Nos. 22 and 23 to the financial statements relating to 'Utkal C' coal block held by the Company and non-recognition of interest expense on unsecured loan advanced by the holding Company, respectively. These matters have arisen out of the cancellation of allotment of 'Utkal C' vide the Hon'ble Supreme Court of India's Order dated 24th September, 2014 and the subsequent events in connection therewith.

Our opinion is not modified in respect of this matter.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report but does not include the financial statements and our auditor's report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

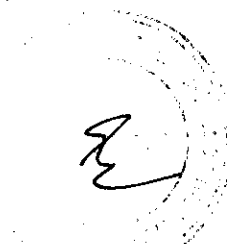
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal financial controls system.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

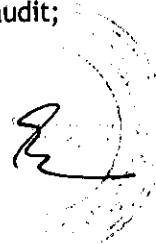
Materiality is the magnitude of misstatements in the financial statements that, individually, or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in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

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

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

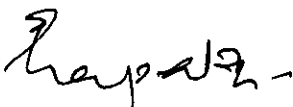
Report on Other Legal and Regulatory Requirements

- (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 "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by section 143(3) of the Act, 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described in the 'Material Uncertainty Related to Going Concern' and 'Emphasis of Matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";
- h. 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer Note Nos. 18, 22 and 23 to the financial statements;
- (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 which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (3) In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration paid by the Company to its directors during the year.

For Sourjya & Biswajit
Chartered Accountants
FRN 322779E



CA. Sourjya Prakash Mohapatra
Partner

Membership No. 052805

UDIN-20052805AAAAA-MA-4942

Bhubaneswar

17th July, 2020

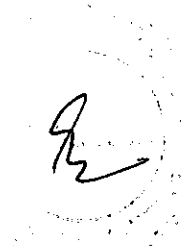
ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the financial statements for the year ended 31st March, 2020]

- (i)
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all fixed assets have not been physically verified by the Company's Management ("management") during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except as detailed herein below:-

Land/ Buildings	Total number of cases	Leasehold/ Freehold	Gross Block as at 31 st March, 2020 (Rs. In Lakh)	Net Block as at 31 st March, 2020 (Rs. In Lakh)	Remarks
Land	6	Leasehold	4,631.62	3,831.91	Registration between Odisha Industrial Infrastructure Development Corporation (OIDCO) and the Company is pending.

- (ii) According to the information and explanations given to us, the inventory, presently constituting of stores, spares and consumables, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.



(vi) The Company has not commenced its commercial operations as of 31st March, 2020. Accordingly, as explained by the management, the provisions of clause 3(vi) of the Order with regard to the maintenance of cost records are not applicable to the Company.

(vii)

(a) According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues as at 31st March, 2020 of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax, which have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.23	Assessment Year 2011-12	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us, during the year the Company has no outstanding loans or borrowings from a financial institution, bank, Government or debenture holders and accordingly, clause 3(viii) of the Order is not applicable to the Company.

(ix) During the year, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans and accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us, no managerial remuneration has been paid / provided for by the Company during the year.

(xii) The Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with directors or persons connected with them.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Sourjya & Biswajit
Chartered Accountants
FRN 322779E

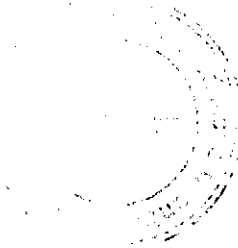


CA. Sourjya Prakash Mohapatra
Partner

Membership No. 052805

UDIN:- 20052805AAAAMA4942

Bhubaneswar
17th July, 2020



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (2)g under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the financial statements for the year ended 31st March, 2020]

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of the Company as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

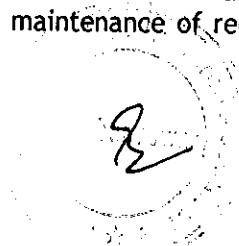
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



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

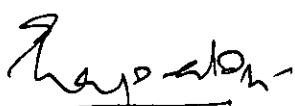
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2020, based on the internal control with reference to financial statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sourjya & Biswajit
Chartered Accountants
FRN 322779E



CA. Sourjya Prakash Mohapatra
Partner

Membership No. 052805

UDIN: 20052805AAAA MA4942

Bhubaneswar
17th July, 2020

UTKAL COAL LIMITED
Balance Sheet as at 31st March, 2020

(Rs. in Lakh)

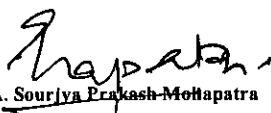
	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3 (a)	998.04	17,856.61
Capital Work-in-Progress	3 (a)	20,332.37	19,988.98
Right of Use Assets	3 (b)	16,530.34	-
Financial Assets			
-Loans	4	1.93	2.17
Non-Current Tax Assets (Net)		101.38	101.44
Current Assets			
Inventories	5	-	1.22
Financial Assets			
-Cash and Cash Equivalents	6	2.13	1.61
Other Current Assets	7	64.45	61.56
Total Assets		38,030.64	38,013.59
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	2,500.00	2,500.00
Other Equity		9,043.62	9,045.40
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
-Other Financial Liabilities	9	2.15	2.15
Current Liabilities			
Financial Liabilities			
-Borrowings	10	26,469.03	26,446.88
-Other Financial Liabilities	11	15.09	18.39
Other Current Liabilities	12	0.75	0.77
Total Equity and Liabilities		38,030.64	38,013.59

Notes to Financial Statements

1 to 27

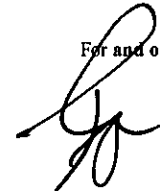
The notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.


For Sourjya & Biswajit
Chartered Accountants
FRN 322779E


CA. Sourjya Prakash Maitrapatra
Partner
Membership No. 052805

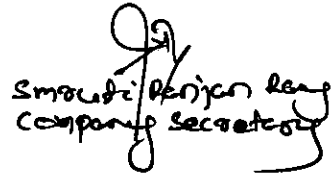
Place: Bhubaneswar
Date: 17th July, 2020

For and on behalf of Board of Directors


Director
Prem Khandelwal
DIN - 00667489


Director
Jayant Kumar Misra
DIN - 00146526


Ashok Kumar Nayak
Chief Financial Officer


Smriti Ranjan Ray
Company Secretary

UTKAL COAL LIMITED

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

(Rs. in Lakh)

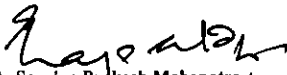
Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
INCOME			
Revenue from Operations	13	-	-
Other Income	14	-	0.08
Total Income		-	0.08
EXPENSES			
Employee Benefits Expense	15	-	-
Finance Costs	15	-	-
Other Expenses	16	1.78	5.05
Total Expenses		1.78	5.05
Loss Before Tax		(1.78)	(4.97)
Tax Expense :			
- Current Tax		-	-
- Deferred Tax		-	-
Loss After Tax		(1.78)	(4.97)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement losses on defined benefit plans		-	-
- Income Tax		-	-
Total Comprehensive Income for the year [comprising loss and other comprehensive income for the year]		(1.78)	(4.97)
Earnings per Equity Share (Basic and Diluted) (in Rs.) (Par Value Rs.10/- per Equity Share)	18	(0.01)	(0.02)

Notes to Financial Statements

1 to 27


The notes referred to above form an integral part of the Statement of Profit and Loss. This is the Statement of Profit and Loss referred to in our report of even date.


For Sourjya & Biswajit
Chartered Accountants
FRN 322779E

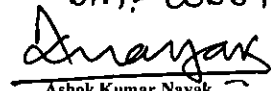

CA. Sourjya Prakash Mohapatra
Partner
Membership No. 052805

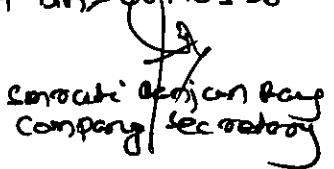
Place: Bhubaneswar
Date: 17th July, 2020

For and on behalf of Board of Directors


Director
Pooja Khandolwal
Din: 00667489


Director
Jayant Kumar Mishra
Din: 00146526


Ashok Kumar Nayak
Chief Financial Officer


Company Secretary

UTKAL COAL LIMITED
Cash Flow Statement for the year ended 31st March, 2020

(Rs. in Lakh)

	Year ended 31st March, 2020	Year ended 31st March, 2019
A. Cash Flow from Operating Activities		
Loss Before Tax	(1.78)	(4.97)
Operating Loss before Working Capital Changes	(1.78)	(4.97)
Adjustments for :		
Loans and Advances and Other Assets	(2.65)	(3.81)
Inventories	1.22	-
Liabilities and Provisions	(3.17)	(0.50)
Cash used in Operations	(6.38)	(9.28)
Direct Taxes Paid	0.06	(0.08)
Net Cash used in Operating Activities	(6.32)	(9.36)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(15.31)	(22.71)
Net Cash used in Investing Activities	(15.31)	(22.71)
C. Cash Flow from Financing Activities		
Proceeds from/(Repayment) of Current Borrowings (net)	22.15	32.15
Net Cash generated from Financing Activities	22.15	32.15
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	0.52	0.08
Cash and Cash Equivalents at the beginning of the year	1.61	1.53
Cash and Cash Equivalents at the end of the year (refer Note No. 6)	2.13	1.61

Notes:

1. Cash and Cash Equivalents comprises of :

Cash on hand	0.58	0.18
Balance with Banks:		
- In Current Accounts	1.55	1.43
Total	2.13	1.61

2. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

3. Previous year's figures have been rearranged/regrouped to conform to the classification of the current year, wherever considered necessary.

This is the Cash Flow Statement referred to in our report of even date.

For Sourjya & Biswajit
Chartered Accountants
FRN 322779E

Prakash
CA. Sourjya Prakash Mollapatra
Partner
Membership No. 052805



Place: Bhubaneswar
Date: 17th July, 2020

For and on behalf of Board of Directors

Prakash
Director
Prakash Khandelwal
Din :- 00667489

Misra
Director
Jayant Kumar Misra
Din :- 00146528

Ashok Kumar Nayak
Ashok Kumar Nayak
Chief Financial Officer

Smriti Debnay Ray
Smriti Debnay Ray
Company Secretary

UTKAL COAL LIMITED
Statement of Changes in Equity for the period ended 31st March, 2020

A. Equity Share Capital

(Rs. in Lakh)

Balance at the beginning		Changes in equity share capital during the period April-March		Balance at the end	
As at 1st April, 2018	As at 1st April, 2019	2018-19	2019-20	As at 31st March, 2019	As at 31st March, 2020
2,500.00	2,500.00	-	-	2,500.00	2,500.00

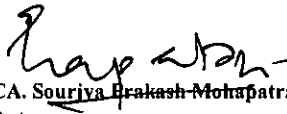
B. Other Equity

(Rs. in Lakh)

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at 1st April, 2018	9,108.00	(57.63)	9,050.37
Loss for the period April-March, 2019	-	(4.97)	(4.97)
Other comprehensive income (net of tax) for the period April-March, 2019	-	-	-
Balance as at 31st March, 2019	9,108.00	(62.60)	9,045.40
Loss for the period April-March, 2020	-	(1.78)	(1.78)
Other comprehensive income (net of tax) for the period April-March, 2020	-	-	-
Balance as at 31st March, 2020	9,108.00	(64.38)	9,043.62

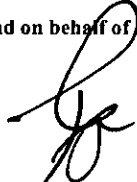
This is the Statement of Changes in Equity referred to in our report of even date.

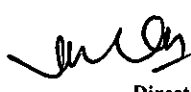
For Sourjya & Biswajit
Chartered Accountants
FRN 322779E

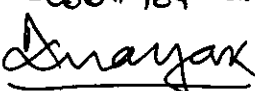

CA. Sourjya Prakash Mohapatra
Partner
Membership No. 052805

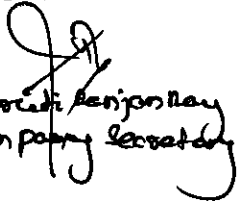
Place: Bhubaneswar
Date: 17th July, 2020

For and on behalf of Board of Directors


Director
Pooja Khandelwal
Dir. 00667489


Director
Joyant Kumar Misra
Dir. 00146526


Ashok Kumar Nayak
Chief Financial Officer


Smita Ranjan Nayak
Company Secretary

UTKAL COAL LIMITED

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

1. General information

Utkal Coal Limited ('UCL' or 'the Company') is a Public Limited Company incorporated in India. Its parent Company is Indian Metals and Ferro Alloys Limited. The address of the registered office is AB-19, Safdarjung Shopping Centre, Safdarjung Enclave, New Delhi - 110029, India.

The Company was incorporated in 1998 and has not commenced its commercial operations as on 31st March, 2020.

These financial statements were approved for issue by the board of directors of the Company on 17th July, 2020.

2. Significant accounting policies

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.2 Basis of preparation

(i) Historical Cost Convention

These financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Fair Value Measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

(iii) Functional and presentational currency

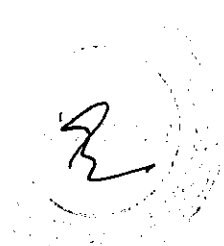
These financial statements are presented in Indian Rupee (INR) which is also the functional currency.

(iv) Rounding off amounts

All amounts disclosed in the financial statements have been rounded off to the nearest rupees in Lakh, as per the requirements of Schedule III of the Act, unless otherwise stated.

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.

A handwritten signature in black ink is written over a circular stamp. The stamp contains some illegible text and a central emblem, possibly a company logo or official seal.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

The Company has deemed its operating cycle as twelve months for the purpose of current/non-current classification.

2.4 Revenue recognition

a) Revenue is measured at the fair value of consideration received or receivable.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

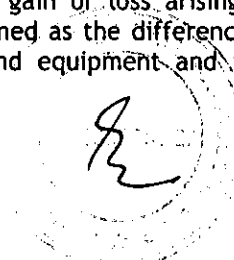
For transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 ('transition date'), measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values, over their useful lives. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Post application of Ind AS 116 on 1st April, 2019 Assets held under finance leases are now transferred to Right of Use Assets are depreciated/amortised 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 lease term, assets are depreciated over the shorter of lease term and their useful lives.

The Company has adopted the useful life as specified in Schedule II to the Act.

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

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2.6 Capital Work in Progress

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date and are in the process of being constructed / acquired / developed, as the case may be. Cost, as aforesaid, includes development and other expenses, including financing cost related to borrowed funds and the same is allocated / apportioned to the respective property, plant and equipment on completion of the construction / acquisition / development of the capital project / property, plant and equipment.

Expenses directly related to construction, acquisition or development activity is transferred to the capital work-in-progress. Indirect expenditure incurred during the construction, acquisition or development activity is transferred to capital work-in-progress, to the extent it is related to construction, acquisition or development activity or is incidental thereto. The balance indirect expenditure is charged to the Statement of Profit and Loss.

2.7 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest rate ('EIR') method, other costs incurred in connection with borrowing of funds and exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in the normal course of business for bringing such inventories to their present location and condition and includes, wherever applicable, appropriate overheads.

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.

2.9 Financial Instruments

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

Financial Assets

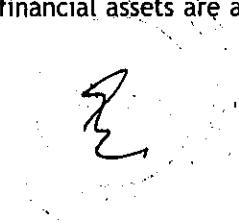
Classification

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

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets are dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.



Financial assets measured at amortised cost

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

Financial assets measured at fair value through other comprehensive income (FVTOCI)

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

Financial assets measured at fair value through profit or loss (FVTPL)

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

Derecognition of financial assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities shall be subsequently measured at fair value.

Initial recognition and measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

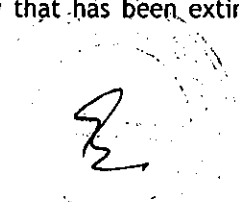
Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Other payables

Other payables are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or



transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2.10 Impairment

Financial assets

The Company recognises loss allowances, if any, using the expected credit loss ('ECL') model for the financial assets which are not fair valued. For all financial assets, ECL is measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Non-financial assets

Non financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.11 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the Ind AS transition date, the Company had determined whether the arrangements contained a lease on the basis of the facts and circumstances existing on the transition date.

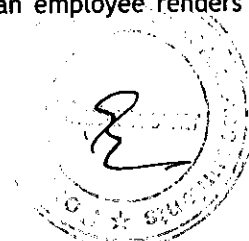
Arrangements where the Company is the lessee

Leases of property, plant and equipment, where the Company assumes substantially all the risks and rewards of ownership which were earlier are classified as finance leases are now classified as Leases under Ind AS 116. These leases are capitalized at lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership which were classified as operating leases are now classified as Leases under Ind AS 116 wherein PV of future lease rental payments are capitalised at lower of the fair value of the leased property, plant and equipment and the present value of the minimum lease payments. These Lease payments are apportioned between the finance charge and the reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

2.12 Employee Benefits

a) Employee benefits in the form of Provident Fund is defined contribution plan. The Company recognizes contribution payable to a defined contribution plan as an expense, when an employee renders the related



service. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the contribution payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity liability and Leave encashment liability are defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

c) Remeasurements of the net defined benefit liability/asset comprise:

- i) actuarial gains and losses;
- ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset; and
- iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.

Remeasurements of net defined benefit liability/asset are charged or credited to other comprehensive income.

2.13 Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In such cases, the tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax

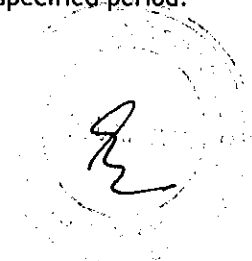
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which those deductible temporary differences and tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

Minimum Alternate Tax (MAT)

MAT Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.



3 (a). Property, Plant and Equipment and Capital Work-in-Progress

Particulars	Tangible Assets - Owned										Tangible Assets- Leased		Total	Capital Work-in-Progress
	Freehold Land	Buildings (Temporary)	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipments	Motor Vehicles	Land						
Gross Carrying Amount As at 1st April, 2018	997.70	-	0.53	0.74	0.33	0.18	-	18,171.34	-	-	-	19,170.82	19,637.98	
Additions / Adjustments during April-March-2019	-	-	-	-	-	-	-	-	-	-	-	-	351.00	
Disposals / Adjustments during April-March-2019	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2019	997.70	-	0.53	0.74	0.33	0.18	-	18,171.34	-	-	-	19,170.82	19,988.98	
Transferred to Right of Use Assets on adoption of Ind AS 116	-	-	-	-	-	-	-	(18,171.34)	-	-	-	(18,171.34)	-	
Additions / Adjustments during April-March-2020	-	-	-	-	-	-	-	-	-	-	-	-	343.39	
Disposals / Adjustments during April-March-2020	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	997.70	-	0.53	0.74	0.33	0.18	-	-	-	-	-	999.48	20,332.37	
Accumulated Depreciation & Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 1st April, 2018	-	-	0.38	0.56	0.21	0.17	-	984.60	-	-	-	985.92	-	
Charge for the period April-March-2019 (refer Explanation 1)	-	-	0.03	0.06	-	-	-	328.20	-	-	-	328.29	-	
Disposals / Adjustments for the period April-March-2019	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2019	-	-	0.41	0.62	0.21	0.17	-	1,312.80	-	-	-	1,314.21	-	
Transferred to Right of Use Assets on adoption of Ind AS 116	-	-	-	-	-	-	-	(1,312.80)	-	-	-	(1,312.80)	-	
Charge for the period April-March-2020	-	-	0.01	0.02	-	-	-	-	-	-	-	0.03	-	
Disposals / Adjustments for the period April-March-2020	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2020	-	-	0.42	0.64	0.21	0.17	-	-	-	-	-	1.44	-	
Net Carrying Amount :	997.70	-	0.11	0.10	0.12	0.01	-	-	-	-	-	998.04	20,332.37	
As at 31st March, 2020	997.70	-	0.12	0.12	0.12	0.01	-	16,858.54	-	-	-	17,856.61	19,988.98	

Explanation 1: Represents depreciation / amortisation on assets during the pre-mining stage of the coal mining project of the Company. The same has been transferred to Capital Work-in-Progress.

Explanation 2: Leasehold land includes an amount of Rs. 4,631.62 lakhs paid as cost towards acquisition of 398.14 acres pending registration in the Company's favour. The same has been sanctioned in favour of the Company and first phase of registration between Government of Odisha and Odisha Industrial Infrastructure Development Corporation (OIDCO) has already been made.

3 (b). Right of Use Assets.

Description	Gross Block					Accumulated Depreciation					Carrying Amount As at 31st March, 2020
	As at 1st April, 2019	Change in Accounting Policy	Additions / Adjustments	Deductions / Adjustments	As at 31st March, 2020	As at 1st April, 2019	Change in Accounting Policy	Additions (Explanation 1)	Deductions / Reclassification	As at 31st March, 2020	
Tangible Assets - Leased : Land	-	18,171.34	-	-	18,171.34	-	1,312.80	328.20	-	1,641.00	16,530.34
	-	18,171.34	-	-	18,171.34	-	1,312.80	328.20	-	1,641.00	16,530.34

Note:- Pursuant to adoption of Ind AS 116 from 1st April, 2019, Leasehold land is now shown under Right of Use Assets.

Explanation 1 - Represents depreciation / amortisation on assets during the pre-mining stage of the coal mining project of the Company. The same has been transferred to Capital Work-in-Progress.

Explanation 2 - Leasehold land includes an amount of Rs. 4,631.62 lakhs paid as cost towards acquisition of 398.14 acres pending registration in the Company's favour. The same has been sanctioned in favour of the Company and first phase of registration between Government of Odisha and Odisha Industrial Infrastructure Development Corporation (OIDCO) has already been made.

4. Loans	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good Security Deposits	1.93	2.17
	<u>1.93</u>	<u>2.17</u>

5. Inventories	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Stores, Spares & Consumables	-	1.22
	<u>-</u>	<u>1.22</u>

6. Cash and Cash Equivalents	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks :		
In Current Accounts	1.55	1.43
Cash on hand	0.58	0.18
	<u>2.13</u>	<u>1.61</u>

7. Other Current Assets	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Goods & Services Tax (GST)	64.35	61.46
Other Advances	0.10	0.10
	<u>64.45</u>	<u>61.56</u>

8. Share Capital	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Authorised :		
Equity Shares :		
2,50,00,000 Equity Shares, Rs 10/- par value per share (Previous Period : 2,50,00,000 Equity Shares)	2,500.00	2,500.00
	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed and Paid-up :		
2,50,00,000 Equity Shares, Rs 10/- par value per share, fully paid (Previous Period : 2,50,00,000 Equity Shares)	2,500.00	2,500.00
	<u>2,500.00</u>	<u>2,500.00</u>

Reconciliation of the Number of Equity Shares outstanding

Equity Shares	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Rs. in Lakh	No. of shares	Rs. in Lakh
At the beginning of the year	25,00,000	2,500.00	25,00,000	2,500.00
Add: Issued during the period/year	-	-	-	-
At the end of the period/year	25,00,000	2,500.00	25,00,000	2,500.00

Rights, preferences & restrictions in respect of each class of Shares

The Company's authorised share capital consists of one class of shares referred to as Equity Shares, having par value of Rs. 10/- each.

Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

Equity Shares of the Company held by holding company

Name of the Holding Company	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Rs. in Lakh	No. of shares	Rs. in Lakh
Indian Metals and Ferro Alloys Limited	19,800,000	1,980.00	19,800,000	1,980.00

Details of Shareholders holding more than 5% of the equity shares each

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	% of Shareholding	No. of shares	% of Shareholding
Indian Metals and Ferro Alloys Limited	19,800,000	79.20	19,800,000	79.20
B P Developers Pvt. Ltd.	5,198,930	20.80	5,198,930	20.80

9. Other Financial Liabilities	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Security Deposit from Contractors	2.15	2.15
	<u>2.15</u>	<u>2.15</u>

10. Borrowings	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Unsecured Loan Repayable on Demand - From Parent Company	26,469.03	26,446.88
	<u>26,469.03</u>	<u>26,446.88</u>

11. Other Financial Liabilities	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Liability for Operating and Other Expenses	14.17	17.44
Creditors for Capital Goods	0.92	0.95
	<u>15.09</u>	<u>18.39</u>

12. Other Current Liabilities	(Rs. in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019
Statutory Liabilities	0.75	0.77
	<u>0.75</u>	<u>0.77</u>

13. The Company has not commenced commercial operations as of 31st March, 2020. A Statement of Profit and Loss has been drawn up for the current year to comply with the provisions of the Companies Act, 2013 and the notified Indian Accounting Standards (Ind AS) under the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time). Expenses, not directly related to the mining project nor incidental thereto have been charged to the Statement of Profit and Loss. The necessary information as per Part II of Division II of Schedule III to the Companies Act, 2013 has been disclosed to the extent applicable.

14. Other Income	(Rs. in Lakh)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest Others	-	0.08
	<u>-</u>	<u>0.08</u>

15. Capital Work-in-Progress includes borrowing cost Nil in the current year.
Further, employee benefits expense for earlier years are primarily related to setting up of the mining project and hence, included in Capital Work-in-Progress.

16. Other Expenses	(Rs. in Lakh)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Registration and Filings	0.13	0.01
Payment to Auditors (refer Note No. 16.1)	0.43	5.03
Rates and Taxes	-	0.01
Write off in Inventory	1.22	-
	<u>1.78</u>	<u>5.05</u>

16.1 Payment to Auditors (excluding taxes)	(Rs. in Lakh)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Statutory Audit Fees	0.43	5.00
Reimbursement of Expenses	-	0.03
	<u>0.43</u>	<u>5.03</u>

17. Earnings Per Share	(Rs. in Lakh)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Loss after tax attributable to Equity Shareholders (Rs. in lakh)	(1.78)	(4.97)
(b) Weighted Average number of Equity Shares	25,000,000	25,000,000
(c) Basic and diluted earnings per share (in Rs.)	(0.01)	(0.02)
(d) Nominal value per Equity Share (in Rs.)	10.00	10.00

18. Contingent Liabilities and Commitments

(Rs. in Lakh)

Particulars	As at	
	31st March, 2020	31st March, 2019
A. Contingent Liabilities:		
- Claims against the Company not acknowledged as debts:		
(I) Case pending for hearing before Civil Judge (S.D), Angul, Odisha relating to enhancement of award regarding land acquisition by the Company for railway siding.	56.44	56.29
(II) Income Tax (deposits made under protest 31st March, 2020 : Rs. 6.34 lakhs 31st March, 2019 : Rs. 100.51 lakhs)	6.59	950.48
B. Commitments:		
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	-	-

19. Financial risk management

19.1 Financial risk factors

The Company's principal financial liabilities comprise of borrowings and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans and advances and cash and bank balances that arise directly from its operations. The Company is exposed to credit risk and liquidity risk.

(i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its deposits with banks and other financial instruments. The Company considers factors such as track record, market reputation and service standards to select banks with which balances and deposits are maintained. The Company does not maintain significant cash balances other than those required for its day to day operations.

(ii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of unsecured loans from its holding company. The Company ensures it has sufficient cash to meet operational needs at all times.

19.2 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity and short term borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

20. Fair value of Financial Assets and Liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements :

(Rs. in Lakh)

Particulars	As at		As at	
	31st March, 2020		31st March, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost				
Security Deposits	1.93	1.93	2.17	2.17
Cash and Cash Equivalents	2.13	2.13	1.61	1.61
Total Financial Assets	4.06	4.06	3.78	3.78
Financial Liabilities designated at amortised cost				
Borrowings (including current maturities)	26,469.03	26,469.03	26,446.88	26,446.88
Creditors for Capital Goods	0.92	0.92	0.95	0.95
Liability for Operating and Other Expenses	14.17	14.17	17.44	17.44
Security Deposit from Contractors	2.15	2.15	2.15	2.15
Payable to Employees	-	-	-	-
Total Financial Liabilities	26,486.27	26,486.27	26,467.42	26,467.42

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate certain fair values:

Fair value of cash and deposits and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

21. Disclosure pursuant to Indian Accounting Standard 24 - Related Party Disclosures

(a) Name of Related Parties:

(i) Ultimate Parent Entity	Country of Origin
B. Panda Trust (through Mr. Subhrakant Panda, Trustee)	India
(ii) Parent Company	Country of Origin
Indian Metals and Ferro Alloys Ltd.	India
(iii) Fellow subsidiaries	Country of Origin
1 Utkal Power Ltd. (upto 19th March, 2020)	India
2 IMFA Alloys Finlease Ltd.	India
3 Utkal Green Energy Ltd.	India
4 Indmet Mining (Pte.) Ltd.	Singapore
5 PT. Sumber Rahayu Indah [Subsidiary of Indmet Mining Pte. Ltd.]	Indonesia
(iv) Key Management Personnel (KMP)	Designation
Name	Designation
1 Mr. Jayant Kumar Misra	Whole-time Director
2 Mr. Subhrakant Panda	Director
3 Mr. Prem Khandelwal	Director
4 Mr. Sanjeev Das	Director
5 Mr. Sudhir Prakash Mathur	Director
6 Mr. Rabi Narayan Mishra	Director
7 Mr. Ashok Kumar Nayak	Chief Financial Officer

(b) Summary of transactions with Related Parties

(Rs. in Lakh)		
Transactions during the year	Year ended 31st March, 2020	Year ended 31st March, 2019
Indian Metals and Ferro Alloys Limited		
i) Unsecured Loan received during the year	22.15	34.96
ii) Unsecured Loan repaid during the year	-	2.81
iii) Interest on unsecured loan paid during the year	-	-
iv) Service provided	-	1.41

(Rs. in Lakh)		
Outstanding Balance Payable	Year ended 31st March, 2020	Year ended 31st March, 2019
Indian Metals and Ferro Alloys Limited		
Unsecured Loan	26,469.03	26,446.88

22. The Hon'ble Supreme Court of India vide judgment dated 25th August, 2014 read with its order dated 24th September, 2014 cancelled the allocation of coal blocks to various companies, including the 'Utkal C' coal block held by Utkal Coal Ltd. ('UCL'), an SPV in which the Company holds 79.2% equity. Subsequently, on 21st October, 2014, The Coal Mines (Special Provisions) Ordinance, 2014 was promulgated to facilitate, inter alia, auction of coal blocks and compensation to a prior allottee of a coal block. To give continuity to the provisions of the said Ordinance and save the actions taken thereunder, on 26th December, 2014, The Coal Mines (Special Provisions) Second Ordinance, 2014 was promulgated, which was deemed to have come into force on 21st October, 2014 and the earlier Ordinance stood repealed. Subsequently, the Coal Mines (Special Provisions) Act, 2015 was enacted on 30th March, 2015 which was deemed to have come into force on 21st October, 2014, repealing the second Ordinance. Further, the Ministry of Coal issued orders dated 18th December, 2014 and 6th January, 2015 to initiate the auction process and change the end use of 'Utkal C' from captive use (non-regulated sector) to independent power producer (regulated sector). Aggrieved by the above actions of the government, on 13th February, 2015 UCL filed a Writ Petition before the Hon'ble High Court of Delhi challenging, inter alia, the said orders. The judgment in respect of this Writ Petition was delivered on 5th October, 2016 not granting any relief to UCL which, aggrieved, filed a Special Leave Petition ('SLP') on 11th January, 2017 before the Hon'ble Supreme Court challenging the above order dated 5th October, 2016. During the year ended 31st March, 2019, the SLP was withdrawn by UCL after the Central Government issued orders for the auction process of Utkal 'C' coal block along with five other coal blocks to be allotted to Government Companies.

UCL had also filed a separate Writ Petition before the Hon'ble High Court of Delhi on 23rd February, 2015 challenging the basis of valuation of compensation and the restrictive interpretation of 'Mine Infrastructure'. The judgment was delivered on 9th March, 2017 considering leasehold land under Mines Infrastructure and not under Freehold Land category for the purpose of compensation. Aggrieved, UCL filed a SLP on 15th May, 2017, before the Hon'ble Supreme Court challenging the aforesaid order. During the year ended 31st March, 2019, the SLP was withdrawn by UCL.

Ministry of Coal vide its letter dated 2nd April, 2019 to UCL again sought details of the investment in the said coal block including lease hold land in order to re-estimate the compensation amount and the details were submitted to them on 8th April 2019. In the meantime, the coal block has been allotted to Gujarat State Electricity Corporation Limited (GSECL) during the year. Pending the execution of allotment agreement and issuance of allotment order between Gujarat State Electricity Corporation Limited and the Nominated Authority and issuance of allotment order by the Nominated Authority in favour of GSECL and fulfilment of other associated formalities, UCL still retains the right, title and interest over the said coal block including lease hold land. The Company has filed a petition in the Hon'ble Delhi High Court of Delhi on 12th March, 2020, praying for appropriate order or direction to advise the concerned authority for early determination and settlement payment of the compensation.

Hence, UCL is hopeful of receiving the compensation amount, pending which no accounting adjustments have been made by UCL in its books of account.

23. In view of the circumstances detailed in Note No. 22 above, the Company had requested it's parent Company to postpone accrual of interest on the unsecured loan advanced by it to the Company, till the uncertainties get resolved. The holding Company consented to the request with effect from 1st October, 2014 and consequently interest for the reporting period has not been recognised in these financial statements. The interest expense would be considered in the books of accounts during the period when it is properly recognised, post resolution of the uncertainties.

24. Managerial remuneration

There was no managerial remuneration paid / payable to the directors for the year ended 31st March, 2020 (Previous period : Nil).

25. Segment Reporting

The Company's activities during the year revolved around setting up of its mining project. Hence, there is no reportable segment (business and/or geographical) in accordance with the requirements of Indian Accounting Standard 108 - 'Operating Segments', issued by the Institute of Chartered Accountants of India (ICAI).

26. Disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, under the Chapter "Delayed Payments to Micro and Small Enterprises" are not applicable to the Company.

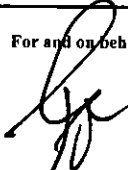

27. Previous year figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.


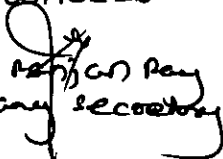
For Sourjya & Biswajit
Chartered Accountants
FRN 322779E


CA. Sourjya Prakash Mohapatra
Partner
Membership No. 052805

Place: Bhubaneswar
Date: 17th July, 2020

For and on behalf of Board of Directors


Director
Pooja Khandelwal
Din: 00677489

Ashok Kumar Nayak
Chief Financial Officer


Director
Jayant Kumar Mishra
Din: 0046526

Smriti Mishra
Company Secretary

