

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Angul Energy Limited

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

#### **Opinion**

We have audited the accompanying financial statements of Angul Energy Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity 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 (SAs), as 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

#### **Key Audit Matters**

Reporting of Key audit matters are not applicable on the Company being unlisted entity.

#### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is 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 do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

#### **Other Matter**

The Scheme of Amalgamation between Tata Steel Limited ("Transferee Company") with Angul Energy Limited ("Transferor Company") and their respective shareholders w.e.f. appointed date i.e. April 1, 2022 has been approved by the shareholders in their meeting held on February 06, 2023. The Scheme is subject to the receipt of approval from the (a) requisite majority of the shareholders of the Transferor Company and Transferee Company; (b) Competent Authority (as defined in the Schemes), (c) SEBI and Stock Exchanges (where the shares of transferee Company are listed) and (d) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws. Pending sanction of the scheme, no effect has been considered in these financial statements.

#### **Responsibilities of Management 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

Board of Directors are 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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion and according to the information and explanations given to us, the managerial remuneration paid/ provided by the company for the year ended March 31, 2023 is in accordance with the provisions of section 197 read with schedule V to the Act.
  - (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, as amended 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 33 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 amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company has not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company w.e.f. April 1, 2023. Therefore, reporting in this regard is not applicable.

For Singhi & Co.

Chartered Accountants

Firm Reg. No. 302049E



Bimal Kumar Sipani

Partner

Membership No. 088926

UDIN : 23088926BGXAZC2375

Date: April 24, 2023

Place: Noida (Delhi – NCR)

**Annexure A to Independent Auditor's Report of even date to the members of Angul Energy Limited on the financial statements as of and for the year ended March 31, 2023 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)**

- (i) a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & equipment.  
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- b. The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified once in a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature its property, plant and equipment. In accordance with this programme, property, plant and equipment were physically verified during the year and no material discrepancies were identified on such verification.
- c. Based on the records examined by us, title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in note no. 3 to the financial statements are held in the name of the Company.
- d. The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e. According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under, the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(1)(e) of the Order are not applicable to the Company.
- (ii) a. The management has conducted physical verification of inventories during the year at reasonable interval and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- b. Based on our examination of the books of accounts of the Company, the Company has not been sanctioned working capital limits from banks or financial institutions during the year. Therefore, the provisions of clause 3(ii)(b) of the Order are not applicable to the Company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Therefore, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.





- (v) The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
- b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute.
- (viii) According to the information and explanation given to us, there was no transactions which have not recorded in the books of account, but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) a. The Company has not defaulted in repayment of loan and in the payment of interest thereon during the year. Therefore, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company.
- b. According to information and explanations given by the management, the Company is not declared willful defaulter by any bank or financial institution or other lender during the year.
- c. The Company has not obtained any term loan during the year. Therefore, the provisions of clause 3(ix)(c) of the Order are not applicable to the Company.
- d. The Company has not raised funds on short term basis during the year. Therefore, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.
- e. According to the information and explanations given to us, the Company has no subsidiaries, joint ventures or associates. Therefore, the provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- (x) a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.



- (xi) a. Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
- b. During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanation given to us, there are no whistle-blower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) As per records of the Company examined by us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;
- b. We have considered internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them and during the year hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.





- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) There are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act, 2013 towards Corporate Social Responsibility.
- (xxi) The Company does not have subsidiary, associate or joint venture. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the Company.

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E



  
Bimal Kumar Sipani

Partner

Membership No. 088926

UDIN : 23088926BGXAZC2375

Date: April 24, 2023

Place: Noida (Delhi – NCR)

**Annexure B to Independent Auditor's Report of even date to the members of Angul Energy Limited on the financial statements for the year ended March 31, 2023 (Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)**

We have audited the internal financial controls with reference to financial statements of Angul Energy Limited ("the Company") as of March 31, 2023 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 management is responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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



**Meaning of Internal Financial Controls with reference to financial statements**

A Company's Internal Financial Controls 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E



*8/10*  
Bimal Kumar Sipani  
Partner

Date: April 24, 2023

Place: Noida (Delhi – NCR)

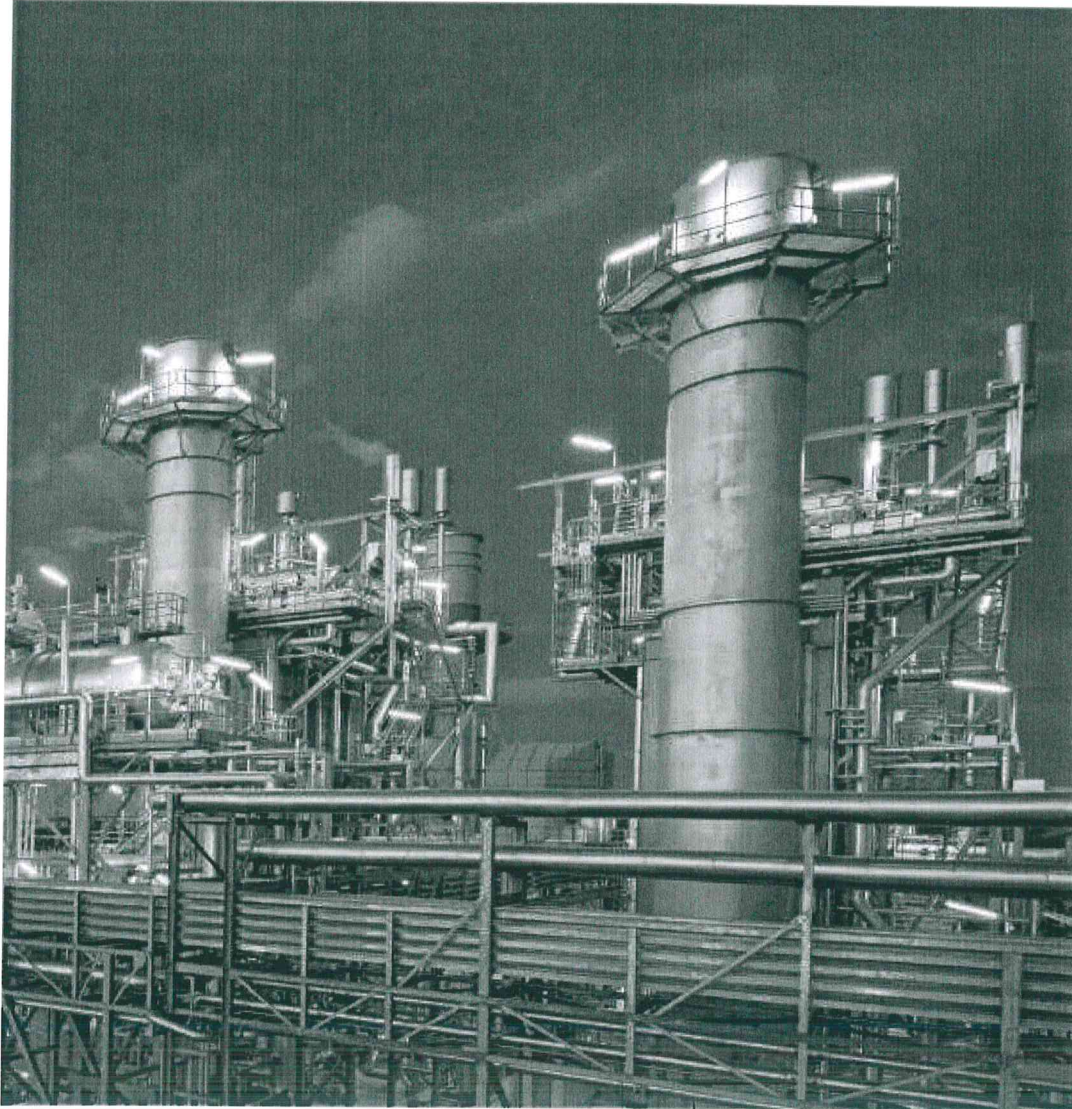
Membership No. 088926

UDIN : 23088926BGXAZC2375



# ANGUL ENERGY LIMITED

FINANCIAL STATEMENTS  
for the year ended March 31, 2023






# ANGUL ENERGY LIMITED



BALANCE SHEET as at March 31, 2023

	Note	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)			
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	3	92,146.74	98,806.62
(b) Capital Work in Progress	3A	325.79	21.40
(c) Right of use asset	3B	117.07	118.68
(d) Intangible assets	4	-	-
(e) Intangible assets under development		-	-
(f) Financial assets			
(i) Investments	5A	106.98	91.65
(ii) Other financial assets	5B	205.51	3.19
(g) Income tax assets	6	923.45	1,091.61
(h) Other non-current assets	7	469.76	44.81
<b>Total non-current assets</b>		<b>94,295.30</b>	<b>1,00,177.96</b>
<b>II Current assets</b>			
(a) Inventories	8	533.15	388.70
(b) Financial assets			
(i) Investments	5A	1,854.38	-
(ii) Trade receivables	9	3,863.02	4,243.48
(iii) Cash and cash equivalents	10	64.26	231.99
(iv) Other balance with bank	11	6.39	244.24
(v) Other financial assets	5B	1.03	0.81
(c) Contract Assets	6A	94.03	-
(d) Other assets	7	31.93	33.31
<b>Total current assets</b>		<b>6,448.19</b>	<b>5,142.53</b>
<b>III Assets held for sale</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>1,00,743.49</b>	<b>1,05,320.49</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	12	1,000.01	1,000.01
(b) Other equity	13	92,429.31	87,008.68
<b>Total Equity</b>		<b>93,429.32</b>	<b>88,008.69</b>
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14A	-	4,200.00
(ii) Lease Liabilities	14B	17.74	18.88
(iii) Other financial liabilities	14D	168.26	173.70
(b) Provisions	15	403.79	367.86
(c) Deferred tax liabilities (net)		-	-
(d) Other liabilities		-	-
<b>Total non-current liabilities</b>		<b>589.79</b>	<b>4,760.44</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14A	3,000.00	8,400.00
(ii) Lease Liabilities	14B	1.52	0.01
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	14C	483.79	239.71
- total outstanding dues of creditors other than micro enterprises and small	14C	1,452.66	1,272.79
(iv) Other financial liabilities	14D	792.82	1,550.43
(b) Other liabilities	16	983.54	1,080.98
(c) Provisions	15	10.05	7.45
(d) Current tax liabilities (net)		-	-
<b>Total current liabilities</b>		<b>6,724.38</b>	<b>12,551.37</b>
<b>Total equity and liabilities</b>		<b>1,00,743.49</b>	<b>1,05,320.49</b>
The accompanying notes are forming part of financial statements			
	1-49		

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E

  
**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

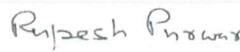


Date: April 24, 2023  
Place: Noida (Delhi - NCR)


For and on behalf of the Board of Directors

  
**Subodh Pandey**  
Director  
(DIN : 08279634)  
Place : Angul

  
**Shailesh Verma**  
Managing Director  
(DIN : 08830968)  
Place : Angul

  
**Rupesh Purwar**

**Rupesh Purwar**  
Company Secretary  
Place : New Delhi


  
**Sanjeev Kumar Poddar**  
Chief Financial Officer  
Place : Angul

# ANGUL ENERGY LIMITED

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2023

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
(₹ Lakhs)			
<b>I Revenue</b>			
(a) Revenue from operations	17	19,499.66	18,511.05
(b) Other income	18	499.37	257.15
<b>Total income</b>		<b>19,999.03</b>	<b>18,768.20</b>
<b>II Expenses:</b>			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress		-	-
(d) Employee benefit expense	19	989.30	1,108.69
(e) Finance costs	20	647.49	1,547.26
(f) Depreciation and amortisation expense	21	6,740.82	6,787.99
(g) Other expenses	22	6,221.15	4,183.23
<b>Total expenses</b>		<b>14,598.76</b>	<b>13,627.17</b>
<b>III Profit before exceptional items and tax (I-II)</b>		<b>5,400.27</b>	<b>5,141.03</b>
<b>IV Exceptional items</b>	23	-	50.00
<b>V Profit before tax (III+IV)</b>		<b>5,400.27</b>	<b>5,191.03</b>
<b>VI Tax expense:</b>			
(a) Current tax	25	-	-
(b) Deferred tax	25	-	-
<b>Total tax expense</b>		-	-
<b>VII Profit for the year (V-VI)</b>		<b>5,400.27</b>	<b>5,191.03</b>
<b>VIII Other comprehensive income</b>			
(a) (i) Items that will not be reclassified to profit or loss			
- Re-measurement of the net defined benefit plan		5.02	(67.04)
- Changes in fair value of equity instruments through other comprehensive income		15.34	26.36
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(b) (i) Items that will be reclassified to profit and loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		<b>20.36</b>	<b>(40.68)</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>5,420.63</b>	<b>5,150.35</b>
<b>X Earnings per equity share [face value of ₹ 10 each]</b>			
Basic (₹)	24	54.00	51.91
Diluted (₹)	24	54.00	51.91
<b>The accompanying notes are forming part of the financial statements</b>	1-49		


As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E

  
**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

Date: April 24, 2023  
Place: Noida (Delhi - NCR)



For and on behalf of the Board of Directors

  
**Subodh Pandey**  
Director  
(DIN : 08279634)  
Place : Angul

  
**Shailesh Verma**  
Managing Director  
(DIN : 08830968)  
Place : Angul

  
**Rupesh Purwar**  
Company Secretary  
Place : New Delhi

  
**Sanjeev Kumar Poddar**  
Chief Financial Officer  
Place : Angul



# ANGUL ENERGY LIMITED

## STATEMENT OF CASH FLOWS for the year ended March 31, 2023

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	5,400.27	5,191.03
Adjustments for:		
Depreciation and amortisation expenses	6,740.82	6787.99
Finance costs	647.49	1547.26
Exceptional items	-	(50.00)
Net gain/(loss) on sale/fair value changes of current investments carried at fair value through profit and loss.	(32.37)	
Dividend income on non-current investments carried at fair value through other comprehensive income	(11.63)	(8.75)
Interest income	(155.45)	(4.69)
<b>Operating cash flows before working capital changes</b>	<b>7,188.86</b>	<b>8,271.81</b>
Adjustments for:	<b>12,589.13</b>	<b>13,462.84</b>
Trade receivables	380.46	34.07
Inventories	(144.45)	264.17
Non-current/current financial and other assets	149.57	165.39
Non-current/current financial and other liabilities/provisions	269.88	388.75
<b>Cash generated from operations</b>	<b>655.46</b>	<b>852.38</b>
Direct taxes paid (net of refund)	13,244.59	14,315.22
<b>Net cash generated/(used) from operating activities</b>	<b>168.16</b>	<b>(489.43)</b>
	<b>13,412.75</b>	<b>13,825.79</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments made for purchase of Property plant and equipment including capital work in progress and capital advances	(812.72)	(113.58)
Interest received	155.45	4.69
Purchase/sale of current investments (net)	(1,822.00)	-
(Increase) / decrease in fixed/restricted deposits with banks	(202.89)	-
Proceeds from redemption of investment in Preference shares	-	50.00
Dividend received	11.63	11.53
<b>Net cash generated/(used) from Investing Activities</b>	<b>(2,670.53)</b>	<b>(47.36)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	(9,600.00)	(12,200.00)
Payment of lease liabilities	(1.52)	(1.52)
Finance costs paid	(1,308.43)	(2,557.96)
<b>Net cash generated/(used) from Financing Activities</b>	<b>(10,909.95)</b>	<b>(14,759.48)</b>
<b>Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(167.73)</b>	<b>(981.04)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>231.99</b>	<b>1,213.03</b>
<b>Cash and Cash Equivalents at the end of the year (Refer note 10)</b>	<b>64.26</b>	<b>231.99</b>

### Notes:

A. The Statement of Cash Flow has been prepared in accordance with 'Indirect Method' as set out in Ind AS 7 'Statement of Cash Flows'.

B. Additional disclosure required under IND AS 7, Refer Note no. 35

The accompanying notes are forming part of the financial statements.

As per our report of even date attached

For Singh & Co.

Chartered Accountants

Firm Reg. No. 302049E

Bimal Kumar Sipani

Partner

Membership No. 088926



For and on behalf of the Board of Directors

*Subodh Pandey*  
Subodh Pandey  
Director  
(DIN : 08279634)  
Place : Angul

*Shailesh Verma*  
Shailesh Verma  
Managing Director  
(DIN : 08830968)  
Place : Angul

*Rupesh Purwar*  
Rupesh Purwar  
Company Secretary  
Place : New Delhi

*Sanjeev Kumar Poddar*  
Sanjeev Kumar Poddar  
Chief Financial Officer  
Place : Angul

Date: April 24, 2023

Place: Noida (Delhi - NCR)

# ANGUL ENERGY LIMITED

## STATEMENT OF CHANGES IN EQUITY for year ended March 31, 2023

### A. EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity Shares of ₹ 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	10000142	1000.01	10000142	1000.01
Changes due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	10000142	1000.01	10000142	1000.01
Changes during the year	-	-	-	-
Balance at the end of the year	10000142	1000.01	10000142	1000.01

### B. OTHER EQUITY

	Reserves and Surplus		Equity instruments at fair value through other comprehensive income (Refer note 13(c))		Capital contribution (Refer note 13(d))	Total Equity
	Securities premium (Refer note 13(a))	Retained earnings (Refer note 13(b))				
Balance as at March 31, 2021	44,318.00	(2,20,038.44)	(2,563.38)	2,60,142.15	2,60,142.15	81,858.33
Profit for the year (A)	-	5,191.03	-	-	-	5,191.03
Other comprehensive income for the year (B)	-	(67.04)	26.36	-	-	(40.68)
Total comprehensive income for the year (A+B)	-	5,123.99	26.36	-	-	5,150.35
Balance as at March 31, 2022	44,318.00	(2,14,914.45)	(2,537.02)	2,60,142.15	2,60,142.15	87,008.68
Profit for the year (A)	-	5,400.27	-	-	-	5,400.27
Other comprehensive income for the year (B)	-	5.02	15.34	-	-	20.36
Total comprehensive income for the year (A+B)	-	5,405.29	15.34	-	-	5,420.63
Balance as at March 31, 2023	44,318.00	(2,09,509.16)	(2,521.68)	2,60,142.15	2,60,142.15	92,429.31

### The accompanying notes are forming part of the financial statements

As per our report of even date attached

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E



*BP*  
Bimal Kumar Sipani  
Partner  
Membership No. 088926

Date: April 24, 2023  
Place: Noida (Delhi - NCR)

For and on behalf of the Board of Directors

*Subodh Pandey*  
Subodh Pandey  
Director  
(DIN : 08279634)  
Place : Angul

*Rajesh Prasad*  
Rajesh Prasad  
Company Secretary  
Place : New Delhi

*Shallesh Verma*  
Shallesh Verma  
Managing Director  
(DIN : 08830968)  
Place : Angul

*Sanjeev Kumar Poddar*  
Sanjeev Kumar Poddar  
Chief Financial Officer  
Place : Angul



## Angul Energy Limited

### NOTES

#### forming part of the financial statements

##### 1. Company Information

Angul Energy Limited ("the Company") is a public limited company incorporated in India with its registered office located at Ground Floor, Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065. The main objective of the Company is to carry on business of generation of thermal power.

The Company was established in the year 2005. The Company has set up 300 MW (2X150MW) and 165 MW (1X165MW) thermal power project at Meramandali Village, District Dhenkanal, Odisha under Phase-I. The plants were commissioned in the year 2010 and 2016 respectively.

##### Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015 as amended time to time.

Accounting Policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

The Board of Directors approved the financial statements for the year ended March 31, 2023 and authorised for issue on April 24, 2023.

##### Basis of preparation

The financial statements have been prepared on a historical cost basis except certain items that are measured at fair value as explained in accounting policies.

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 estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

These financial statements are presented in Indian National Rupee (₹), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs (₹ 00,000), except when otherwise indicated.

##### Use of estimates and critical accounting judgements

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. 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.

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

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as disclosed below:

##### Impairment

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

##### Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

##### Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

##### Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

##### Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable





## Angul Energy Limited

### NOTES

#### forming part of the financial statements

markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### Retirement benefit obligations

The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice.

#### 2. Summary of significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

##### a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in 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 the other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

##### b) Property, plant, and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes

deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

##### c) Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

##### d) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation is provided on straight line method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013. Estimated useful life (years)





## Angul Energy Limited

### NOTES

#### forming part of the financial statements

Nature	As per Schedule III	As per Technical Assessment
Plant and machinery	15 years	01- 26 years
Factory Building	- 30 years	20 – 26 years

Assets value up to ₹5,000 are fully depreciated in the year of acquisition.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. In case of computer software, the Company has estimated useful life of five years or less.

Depreciation on all assets commences from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period or estimated useful life whichever is less. The estimated useful lives of assets and residual values are regularly reviewed and, when necessary, are revised.

#### e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

#### f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax

discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### g) Inventories

Inventories are valued as follows:

Inventories are valued at lower of cost and net realisable value. Cost of stores & spare parts are computed on first-in-first-out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods or providing services are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### h) Revenue Recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and



## Angul Energy Limited

### NOTES

#### forming part of the financial statements

- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts with customers is recognized when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, tolling agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend and constraint until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Delayed payment charges and compensation towards shortfall in offtake are recognized when there is reasonable certainty to expect ultimate collections.

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

Dividends are recognised at the time the right to receive payment is established.

#### i) Foreign currencies

The Company's financial statements are presented in INR, which is also its functional currency.

##### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange at the reporting date.

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. Non-monetary items measured at fair value in a foreign

currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

#### j) Income Taxes

##### Current tax

Current 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 in India, at the reporting date.

Current tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets is offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### Deferred tax

Deferred tax is provided using the liability 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 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. Deferred tax liabilities are generally recognised for all the taxable temporary differences.

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





## Angul Energy Limited

### NOTES

#### forming part of the financial statements

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 relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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.

MAT credit is recognised as an asset, whenever there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in 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.

#### k) Employee benefits

##### Short-term benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the service rendered by employees are recognised during the period when the employee renders the services.

##### Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Company's contribution to state defined contribution plans namely Employee State Insurance is made in accordance with the Statute, and are recognised as an expense when employees have rendered services entitling them to the contribution.

##### Defined benefits plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. Gratuity is a defined benefit obligation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. In respect of post-retirement benefit re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

##### Other long-term benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/ losses on the compensated absences are immediately taken to the statement of profit and loss and are not deferred.

#### l) Leases

##### Company as a lessee

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

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract. Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any



## Angul Energy Limited

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#### forming part of the financial statements

extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Other are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified respectively as part of property, plant and equipment and short-term/long-term debt.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rentals are recognised as revenue in the period in which they are earned.

#### **m) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

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

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

#### **Contingent liability is disclosed for:**

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

#### **n) Earnings per share**

Basic earnings per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

#### **o) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

#### **p) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at





## Angul Energy Limited

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fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1 inputs** are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

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

**Level 3 inputs** are unobservable inputs for the asset or liability.

#### q) Government grants

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

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. The benefit of a government loan at below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

#### r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment and geographical segment.

#### s) Financial instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual

provisions of the financial instrument. Financial instrument (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

##### Subsequent measurement

##### i. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

- The 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

##### ii. Investments in equity instruments

Investments in equity instruments, where the Company has opted to classify such instruments at fair value through other comprehensive income (FVOCI) are measured at fair value through other comprehensive income. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

##### iii. Financial assets at fair value through Profit & Loss (FVTPL)

Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.



## Angul Energy Limited

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#### forming part of the financial statements

##### t) Compound Financial Instrument

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. The conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

##### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables:** In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:** In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**De-recognition of financial assets:** A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Derivative financial instruments:** In the ordinary course of business, the Company uses derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange. The instruments are confined principally to forward foreign exchange contracts and these contracts do not generally extend beyond six months.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

##### Non-derivative financial liabilities

**Subsequent measurement:** Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities:** A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.





## Angul Energy Limited

### NOTES

#### forming part of the financial statements

The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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

#### u) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- i. **Ind AS 1 - Material accounting policies** - The amendments mainly related to shifting of disclosure of erstwhile "significant accounting policies" in the notes to the financial statements to material accounting policy information requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).
- ii. **Ind AS 8 - Definition of accounting estimates** - The amendments specify definition of 'change in accounting estimate' replaced with the definition of 'accounting estimates'.
- iii. **Ind AS 12 - Income taxes** - Annual Improvements to Ind AS (2021) - The amendment clarifies that in cases of transactions where equal amounts of assets and liabilities are recognised on initial recognition, the initial recognition exemption does not apply. Also, If a company has not yet recognised deferred tax asset and deferred tax liability on right-of-use assets and lease liabilities or has recognised deferred tax asset or deferred tax liability on net basis, that company shall have to recognise deferred tax assets and deferred tax liabilities on gross basis based on the carrying amount of right-of-use assets and lease liabilities existing at the beginning of 1 April 2022.



**ANGUL ENERGY LIMITED**  
NOTES TO FINANCIAL STATEMENTS

**3. PROPERTY, PLANT AND EQUIPMENT**

Gross Carrying Value	(₹ Lakhs)						
	Building	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Cost as at March 31, 2021	33,520.63	3,28,267.65	16.61	10.07	9.26	10.62	3,61,834.82
Addition during the year	-	65.67	6.74	-	9.80	10.27	92.48
Sold/discarded during the year	-	-	-	-	-	-	-
Cost as at March 31, 2022	33,520.63	3,28,333.30	23.35	10.07	19.06	20.89	3,61,927.30
Addition during the year	-	74.97	0.85	-	0.68	2.83	79.33
Sold/discarded during the year	-	-	-	-	-	-	-
Cost as at March 31, 2023	33,520.63	3,28,408.27	24.20	10.07	19.74	23.72	3,62,006.63
Accumulated depreciation and impairment							
Accumulated impairment as at March 31, 2021	6,778.92	1,09,370.61	-	-	-	-	1,16,149.53
Accumulated depreciation as at March 31, 2021	15,142.23	1,25,020.12	9.29	9.24	3.59	0.31	1,40,184.78
Impairment during the year	520.28	6,355.60	1.16	0.07	7.16	2.10	6,786.37
Disposals	-	-	-	-	-	-	-
Accumulated impairment as at March 31, 2022	6,778.92	1,09,370.61	-	-	-	-	1,16,149.53
Accumulated depreciation as at March 31, 2022	15,662.51	1,31,275.72	10.45	9.31	10.75	2.41	1,46,971.15
Impairment during the year	520.28	6,205.82	1.49	0.07	4.39	7.16	6,739.21
Disposals	-	-	-	-	-	-	-
Accumulated impairment as at March 31, 2023	6,778.92	1,09,370.61	-	-	-	-	1,16,149.53
Accumulated depreciation as at March 31, 2023	16,182.79	1,37,481.54	11.94	9.37	15.14	9.57	1,53,710.35
Net carrying value as at March 31, 2022	11,079.20	87,686.97	12.90	0.76	8.31	18.48	98,806.62
Net carrying value as at March 31, 2023	10,556.92	81,556.12	12.26	0.70	4.60	14.15	92,146.74

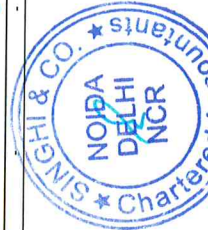
**Note :**

- (i) There were no revaluation carried out by the company during the year reported above.  
(ii) All title deeds of immovable properties are held in the name of the Company.

**3A : CAPITAL WORK IN PROGRESS**

	(₹ Lakhs)			
	As at March 31, 2023	As at March 31, 2022	Amount in capital work-in-progress for a period of	
Opening carrying amount	21.40	-	Less than 1 year	1 to 2 years
Additions	383.72	21.40	2 to 3 years	More than 3 years
Assets capitalized	(79.33)	-		
<b>Closing carrying amount</b>	<b>325.79</b>	<b>21.40</b>		
(i) Ageing schedule of capital work in progress : As at March 31, 2023			Total	
			Less than 1 year	1 to 2 years
Projects in progress	304.39	21.40	2 to 3 years	More than 3 years
Projects temporary suspended	-	-		
Total	304.39	21.40		
As at March 31, 2022			Total	
			Less than 1 year	1 to 2 years
Projects in progress	21.40	-	2 to 3 years	More than 3 years
Projects temporary suspended	-	-		
Total	21.40	-		

(ii) The Company does not have any material project which is overdue or has exceeded its cost compared to its original plan.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 3B. RIGHT OF USE ASSETS

		(₹ Lakhs)
	Lease hold Land	Total
Cost as at March 31, 2021	124.74	124.74
Sold/discarded during the year	-	-
Adjustment during the year	-	-
<b>Cost as at March 31, 2022</b>	<b>124.74</b>	<b>124.74</b>
Addition during the year	-	-
Sold/discarded during the year	-	-
Adjustment during the year	-	-
<b>Cost as at March 31, 2023</b>	<b>124.74</b>	<b>124.74</b>

		(₹ Lakhs)
<b>Accumulated Amortisation</b>	<b>Lease hold Land</b>	<b>Total</b>
Accumulated Amortisation as at March 31, 2021	4.44	4.44
Amortisation for the year	1.62	1.62
Adjustment / Reclassification during the year	-	-
<b>Accumulated Amortisation as at March 31, 2022</b>	<b>6.06</b>	<b>6.06</b>
Amortisation for the year	1.62	1.62
Adjustment / Reclassification during the year	-	-
<b>Accumulated Amortisation as at March 31, 2023</b>	<b>7.67</b>	<b>7.67</b>
<b>Net carrying value as at March 31, 2022</b>	<b>118.68</b>	<b>118.68</b>
<b>Net carrying value as at March 31, 2023</b>	<b>117.07</b>	<b>117.07</b>



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 4. INTANGIBLE ASSETS

	(₹ Lakhs)	
	Computer Software	Total
<b>Cost as at March 31, 2021</b>	<b>115.62</b>	<b>115.62</b>
Addition during the year	-	-
Sold/discarded during the year	-	-
<b>Cost as at March 31, 2022</b>	<b>115.62</b>	<b>115.62</b>
Addition during the year	-	-
Sold/discarded during the year	-	-
<b>Cost as at March 31, 2023</b>	<b>115.62</b>	<b>115.62</b>
	Computer Software	Total
<b>Accumulated amortisation as at March 31, 2021</b>	<b>115.62</b>	<b>115.62</b>
Amortisation during the year	-	-
Disposals	-	-
<b>Accumulated amortisation as at March 31, 2022</b>	<b>115.62</b>	<b>115.62</b>
Amortisation during the year	-	-
Disposals	-	-
<b>Accumulated amortisation as at March 31, 2023</b>	<b>115.62</b>	<b>115.62</b>
<b>Net carrying value as at March 31, 2022</b>	-	-
<b>Net carrying value as at March 31, 2023</b>	-	-

**Note:** There were no revaluation carried out by the Company during the year.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 5. FINANCIAL ASSETS

#### A. INVESTMENTS

##### NON-CURRENT

	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)		
<b>A. Investment carried at fair value through other comprehensive income</b>		
<b>a. Investments in Equity shares (quoted)</b>		
267 shares (Previous year 267 shares) of ₹ 2 each of Punjab National Bank Limited	0.12	0.09
50,018 shares (Previous year 50,018 shares) of ₹ 10 each of Coal India Limited	106.86	91.56
<b>b. Investments in ordinary shares (unquoted)</b>		
47,00,000 (Previous year 47,00,000) shares of AUD 1 each fully paid up of Bhushan Steel (Australia ) Pty Limited	-	-
	<b>106.98</b>	<b>91.65</b>
<b>Other disclosures</b>		
Aggregate carrying value of quoted investments	106.98	91.65
Aggregate fair value of quoted investments	106.98	91.65
Aggregate value of unquoted investments	-	-
Aggregate value of impairment in value of unquoted investments	-	-

##### CURRENT

	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)		
<b>A. Investment carried at fair value through profit and loss</b>		
<b>a. Investments in mutual funds-unquoted</b>		
1,05,191.81 units (Previous year: Nil) of ₹ each of ICICI Prudential liquid fund -Direct growth	350.48	-
18,415.49 units (Previous year: Nil) of ₹ each of Bandhan Liquid fund - Growth (Direct plan)	500.64	-
11,362.58 units (Previous year: Nil) of ₹ each of HDFC liquid fund-Direct growth	502.59	-
11,007.60 units (Previous year: Nil) of ₹ each of Kotak liquid fund-Direct growth	500.67	-
	<b>1,854.38</b>	<b>-</b>
<b>Other disclosures</b>		
Aggregate carrying value of quoted investments	-	-
Aggregate fair value of quoted investments	-	-
Aggregate value of unquoted investments	1,854.38	-
Aggregate value of impairment in value of unquoted investments	-	-

#### B. OTHER FINANCIAL ASSETS

##### NON-CURRENT

	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)		
(a) Security deposits	2.62	3.19
(b) Deposit with maturity of more than than twelve months (under CIRP Process)	202.89	-
	<b>205.51</b>	<b>3.19</b>

##### CURRENT

	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)		
<b>Unsecured, considered good</b>		
(a) Other advances	1.03	0.81
	1.03	0.81
<b>Unsecured, Credit impaired</b>		
(a) Security deposits	2,058.27	2,058.27
Less: Allowance for expected credit loss	(2,058.27)	(2,058.27)
	-	-
	<b>1.03</b>	<b>0.81</b>

#### 6. INCOME TAX ASSETS

##### NON-CURRENT

	As at March 31, 2023	As at March 31, 2022
(₹ Lakhs)		
Advance tax and TDS deducted at source (net of tax provisions)	923.45	1,091.61
	<b>923.45</b>	<b>1,091.61</b>



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 6A CONTRACT ASSETS

#### CURRENT

	As at March 31, 2023	As at March 31, 2022
Reimbursement of operation and maintenance expenses (unbilled)	94.03	-
	<b>94.03</b>	<b>-</b>

### 7. OTHER ASSETS

#### NON-CURRENT

	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered good</b>		
(a) Capital advances	429.00	-
(b) Payment under protest to statutory authorities (refer sub-note (i))	12.81	12.81
(c) Prepaid expenses	27.95	32.00
	<b>469.76</b>	<b>44.81</b>
<b>Unsecured, considered doubtful</b>		
(a) Capital advances	1,140.37	1,140.37
(b) Payment under protest to statutory authorities (refer sub-note (i))	4,367.77	4,367.77
Less: Provision for doubtful	(5,508.14)	(5,508.14)
	<b>469.76</b>	<b>44.81</b>

#### CURRENT

	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good</b>		
(a) Balances with statutory authorities (refer sub-note (i))	-	3.20
(b) Prepaid expenses	10.40	9.66
(c) Advance to suppliers	21.53	20.45
	<b>31.93</b>	<b>33.31</b>
<b>Unsecured, Credit Impaired</b>		
(a) Advance to suppliers	310.86	310.86
Less: Provision for doubtful	(310.86)	(310.86)
	<b>31.93</b>	<b>33.31</b>

(i) Payment under protest relates to custom duty.

### 8. INVENTORIES

#### CURRENT

(Valued at lower of cost or net realisable value)

	As at March 31, 2023	As at March 31, 2022
Stores and spares	533.15	388.70
	<b>533.15</b>	<b>388.70</b>

As at March 31, 2023, there is no provision for slow-moving and obsolete items (March 31, 2022: NIL).





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 9. TRADE RECEIVABLES CURRENT

	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good	3,863.02	4,243.48
Less: Allowance for expected credit losses	-	-
	<b>3,863.02</b>	<b>4,243.48</b>

(i) For details of receivables from related parties, refer note no. 28

(ii) Trade receivables relates to Company's contract with holding company, are non-interest bearing and are on credit terms not exceeding 30 days.

(iii) There are no outstanding receivable debts due from directors or other officers of the Company.

Reconciliation of receivables outstanding as the beginning and closing of the year are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	4,243.48	4,277.55
Add: Revenue including reimbursements recognised during the year	19,499.66	18,511.05
Less: Unbilled revenue	94.03	-
Less: Receipts during the year	19,786.09	18,545.12
Closing Balance	<b>3,863.02</b>	<b>4,243.48</b>

(iv) Ageing schedule of trade receivable:

As at March 31, 2023

(₹ Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	3,863.02	-	-	-	-	-	3,863.02
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>3,863.02</b>	-	-	-	-	-	<b>3,863.02</b>
Less: Allowance for credit losses	-	-	-	-	-	-	-
<b>Total trade receivables</b>	<b>3,863.02</b>	-	-	-	-	-	<b>3,863.02</b>

As at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed – considered good	4,243.48	-	-	-	-	-	4,243.48
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
<b>Sub total</b>	<b>4,243.48</b>	-	-	-	-	-	<b>4,243.48</b>
Less: Allowance for credit losses	-	-	-	-	-	-	-
<b>Total receivable</b>	<b>4,243.48</b>	-	-	-	-	-	<b>4,243.48</b>



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 10. CASH AND CASH EQUIVALENTS

#### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
(a) Balance with banks		
- In current accounts	64.26	231.57
(b) Cash on hand	-	0.42
	<b>64.26</b>	<b>231.99</b>

### 11. OTHER BALANCES WITH BANK

#### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
<b>Earmarked balances with banks</b>		
- Retained balances with bank (under CIRP Process)	6.39	244.24
- Deposit with maturity of more than twelve months (under CIRP Process)	202.89	-
	<b>209.28</b>	<b>244.24</b>
<b>Less: Transferred to other non current financial assets</b>	<b>(202.89)</b>	<b>-</b>
	<b>6.39</b>	<b>244.24</b>





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 12. EQUITY SHARE CAPITAL

	(₹ Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>a) Authorized:</b>		
21,00,00,000 (Previous year 21,00,00,000) Equity shares of ₹ 10/- each (Previous year ₹ 10/- each)	21,000.00	21,000.00
	<b>21,000.00</b>	<b>21,000.00</b>
<b>b) Issued, Subscribed and Paid-up:</b>		
1,00,00,142 (Previous year 10,000,142) Equity shares of ₹ 10/- each (Previous year ₹ 10/- each)	1,000.01	1,000.01
	<b>1,000.01</b>	<b>1,000.01</b>

### c) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	1,00,00,142	1,000.01	1,00,00,142	1,000.01
Shares issued during the year	-	-	-	-
Reduction during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,00,00,142</b>	<b>1,000.01</b>	<b>1,00,00,142</b>	<b>1,000.01</b>

### d) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity share having a par value of ₹ 10 each (Previous year ₹ 10 each). Each shareholder is eligible for one vote for every share held and is entitled to dividend declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

### e) Details of Equity Shareholders holding more than 5% share in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Tata Steel Limited ("Holding company")	99,99,904	99.99%	99,99,904	99.99%
<b>Total</b>	<b>99,99,904</b>	<b>99.99%</b>	<b>99,99,904</b>	<b>99.99%</b>

### f) Details of the Promoters Equity Shareholding :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Tata Steel Limited ("Holding company")	99,99,904	99.99%	99,99,904	99.99%
<b>Total</b>	<b>99,99,904</b>	<b>99.99%</b>	<b>99,99,904</b>	<b>99.99%</b>

There is no change in Promoters Equity Shareholding during the year.

g) In preceding five (5) years, there was no issue of bonus, buy back and issue of shares for consideration other than cash.



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 13. OTHER EQUITY

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
<b>a) Security premium</b>		
Balance as at the beginning of the year	44,318.00	44,318.00
Changes during the year	-	-
<b>Balance as at the end of the year</b>	<b>44,318.00</b>	<b>44,318.00</b>
<b>b) Retained earnings</b>		
Balance as at the beginning of the year	(2,14,914.45)	(2,20,038.44)
Profit for the year	5,400.27	5,191.03
Transfer from other comprehensive income	-	-
Other comprehensive income for the year*	5.02	(67.04)
<b>Balance as at the end of the year</b>	<b>(2,09,509.16)</b>	<b>(2,14,914.45)</b>
<b>c) Other comprehensive income</b>		
Balance as at the beginning of the year	(2,537.02)	(2,563.38)
Transfer to retained earnings	-	-
Other comprehensive income for the year**	15.34	26.36
<b>Balance as at the end of the year</b>	<b>(2,521.68)</b>	<b>(2,537.02)</b>
<b>d) Capital contribution</b>		
Balance as at the beginning of the year	2,60,142.15	2,60,142.15
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>2,60,142.15</b>	<b>2,60,142.15</b>
<b>Total other equity</b>	<b>92,429.31</b>	<b>87,008.68</b>

\* Includes re-measurement gain/(loss) of ₹ 5.02 Lakhs (Previous year ₹ (67.04) Lakhs) on defined benefit plans.

\*\* net gain/(loss) of ₹ 15.34 Lakhs (Previous year ₹ 26.36 Lakhs) on fair value of equity securities through other comprehensive income.

**(a) Securities premium** - This represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**(b) Retained earnings** - Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders, if any.

**(c) Other comprehensive income** - The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**(d) Capital contribution** - Post implementation of resolution plan dated May 30, 2019, Tata Steel BSL Ltd (now amalgamated with Tata Steel Limited) ("Holding Company") had waived off novated debts (reduced by cost of novation) of ₹ 2,60,142.15 Lakhs in its capacity as the promoter of the Company and recognised such waiver as a capital contribution by the promoter and shown under "Other Equity".





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 14. FINANCIAL LIABILITIES

#### A. BORROWINGS

##### NON-CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
<b>Unsecured</b>		
Loan from Holding Company*	3,000.00	12,600.00
	<b>3,000.00</b>	<b>12,600.00</b>
Less: Current maturities of loan from holding company classified under 'Current Borrowings'	3,000.00	8,400.00
	-	<b>4,200.00</b>

##### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
Current maturities of loan from holding company #	3,000.00	8,400.00
	<b>3,000.00</b>	<b>8,400.00</b>

\*Loan from Holding Company carries interest rate of 8% per annum and is repayable on the expiry of 6 years from the date of receipt however the Company may at its discretion prepay the loan.

# The Board of directors have decided the prepayment of ₹ 3,000 lakhs in their meeting held on March 22, 2023 (Previous year ₹ 8,400 lakhs in their meeting held on March 25, 2022).

#### B. LEASE LIABILITIES

##### NON-CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
<b>Secured</b>		
Long-term maturities of finance lease obligations	19.26	18.89
	<b>19.26</b>	<b>18.89</b>
Less: Current maturities of lease liabilities	1.52	0.01
	<b>17.74</b>	<b>18.88</b>

Liabilities are secured by way of underlying asset.

##### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
<b>Secured</b>		
Current maturities of lease liabilities (refer note 34)	1.52	0.01
	<b>1.52</b>	<b>0.01</b>

Liabilities are secured by way of underlying asset.



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 14C. TRADE PAYABLES CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
(a) Total outstanding dues of micro enterprises and small enterprises;	483.79	239.71
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,452.66	1,272.79
	<b>1,936.45</b>	<b>1,512.50</b>

- (i) For details of payables from related parties, refer note no. 28
- (ii) Based on the information available and as identified by the management, certain vendors have confirmed their status under the Micro, Small and Medium Enterprises Development Act, 2006, as amended. Accordingly, disclosures relating to dues of Micro and Small enterprises under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below:
- (a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period
- |                                     |        |        |
|-------------------------------------|--------|--------|
| - Principal amount remaining unpaid | 482.75 | 238.67 |
| - Interest due on above             | 1.04   | 1.04   |
- (b) The amount of interest paid by the buyer under MSME Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;
- |  |   |   |
|--|---|---|
|  | - | - |
|--|---|---|
- (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSME Act 2006.
- |  |   |   |
|--|---|---|
|  | - | - |
|--|---|---|
- (d) The amount of interest accrued and remaining unpaid at the end of accounting period; and
- |  |      |      |
|--|------|------|
|  | 1.04 | 1.04 |
|--|------|------|
- (e) The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.
- |  |   |   |
|--|---|---|
|  | - | - |
|--|---|---|
- (iii) The Company considers its maximum exposure to liquidity risk with respect to vendors as at March 31, 2023 to be ₹ 1936.45 Lakhs (March 31, 2022 : ₹ 1512.50 Lakhs).

(iv) **Trade Payable ageing**  
As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade payable							
(i) MSME	483.79	-	-	-	-	-	483.79
(ii) Others	1,438.93	1.34	3.77	0.01	2.11	6.50	1,452.66
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total Payable</b>	<b>1,922.72</b>	<b>1.34</b>	<b>3.77</b>	<b>0.01</b>	<b>2.11</b>	<b>6.50</b>	<b>1,936.45</b>

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade payable							
(i) MSME	239.71	-	-	-	-	-	239.71
(ii) Others	994.45	73.98	95.14	63.66	42.34	3.21	1,272.79
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total Payable</b>	<b>1,234.16</b>	<b>73.98</b>	<b>95.14</b>	<b>63.66</b>	<b>42.34</b>	<b>3.21</b>	<b>1,512.50</b>





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 14D. OTHER FINANCIAL LIABILITIES

#### NON-CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
(a) Liability towards Employee Benefit Pension Scheme	168.26	173.70
	<b>168.26</b>	<b>173.70</b>

#### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
(a) Interest accrued on borrowings (Holding company)	434.19	1,097.02
(b) Employees Emoluments	70.09	71.78
(c) Other payables #	266.19	381.63
(d) Liability towards Employee Benefit Pension Scheme	22.35	-
	<b>792.82</b>	<b>1,550.43</b>

# Related to expenses payable and contractual manpower obligation.

### 15. PROVISIONS

#### NON-CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
Provision for employee benefits		
(a) Gratuity (Refer note 26)	267.32	240.14
(b) Leave encashment (Refer note below)	136.47	127.72
	<b>403.79</b>	<b>367.86</b>

#### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
Provision for employee benefits		
(a) Gratuity (Refer note 26)	6.45	4.60
(b) Leave encashment (Refer note below)	3.60	2.85
	<b>10.05</b>	<b>7.45</b>

As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance on separation. The Company presents provision for compensated absences as current and non-current based on actuarial valuation considering estimates of availment of leave, separation of employee etc.

### 16. OTHER LIABILITIES

#### CURRENT

	As at March 31, 2023	(₹ Lakhs) As at March 31, 2022
Statutory Dues	983.54	1,080.98
	<b>983.54</b>	<b>1,080.98</b>



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 17. REVENUE FROM OPERATIONS

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Tolling charges	16,661.31	16,676.50
(b) Recovery of Operation and Maintenance Cost *	2,838.35	1,834.55
	<b>19,499.66</b>	<b>18,511.05</b>

\*Recovery of operation and Maintenance cost includes ₹ 2838.35 Lakhs (Previous year ₹ 1,834.55 Lakhs) on account of reimbursement of one time operation related cost and are net off of electricity duty amounting ₹ 8677.82 Lakhs (Previous year : ₹ 8746.00 Lakhs)

For transactions made with related parties, refer note no. 28

#### A. Disaggregated revenue information

The disaggregation of the Company's revenue from contract with a customer is as under:

##### (i) Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contract price	19,499.66	18,511.05
Less: Rebates, incentives, discounts etc.	-	-
<b>Revenue as per Statement of Profit and Loss</b>	<b>19,499.66</b>	<b>18,511.05</b>

(ii) The Company presented disaggregated revenue based on the type of goods sold or services rendered directly to customers. Revenue is recognised for goods transferred or services rendered at a point in time or completion of performance obligation.

#### B. Movement of contract assets outstanding as the beginning and closing of the year are as follows.

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	-	-
Add: Reimbursements recognised during the year	2,838.35	1,834.55
Less: Invoicing done during the year	2,744.32	1,834.55
<b>Closing Contract Assets</b>	<b>94.03</b>	<b>-</b>

There are no contract liabilities at end of the year and for movement of trade receivables, refer note no. 9

#### C. Performance Obligation

Information about the Company's performance obligations for electricity supply contract are summarised below:

The performance obligation of the Company in case of supply of electricity is based on supply of electricity through installed meters. Revenue from supply of electricity is accounted for on the basis of billing cycles on calendar month basis to the customer.

The customer makes the payment for electricity supplied during the billing cycle at contracted price as per terms stipulated under agreement.

There is no unsatisfied performance obligation as on year ending March 31, 2023.

### 18. OTHER INCOME

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income on:		
-Fixed deposits	6.69	4.69
-Income tax refund	148.76	-
(b) Net gain/(loss) on sale/fair value changes of current investments carried at fair value through profit and loss.	32.37	-
(c) Liability/Provision written back	76.79	156.50
(d) Dividend income on non-current investments carried at fair value through other comprehensive income	11.63	8.75
(e) Miscellaneous income (including scrap sales)	223.13	87.21
	<b>499.37</b>	<b>257.15</b>

For transactions made with related parties, refer note no. 28

### 19. EMPLOYEE BENEFIT EXPENSES

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries, wages and gratuity *	923.74	883.82
(b) Contribution to provident and other funds	20.28	27.99
(c) Staff welfare expenses #	45.28	196.88
	<b>989.30</b>	<b>1,108.69</b>

\* Salary & wages are net off of employee cost of ₹ 396.87 lakhs ( Previous year : ₹ 386.77 Lakhs) recovered from holding Company, Tata Steel Limited under Service agreement.

# includes ₹ 36.73 lakhs ( Previous year : ₹ 193.94 lakhs) pension payable to nominee / spouse of deceased employees.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 20. FINANCE COSTS

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest expenses		
- borrowings	645.28	1,545.42
- others	0.32	0.02
(b) Interest on lease obligations	1.89	1.82
	<b>647.49</b>	<b>1,547.26</b>

### 21. DEPRECIATION AND AMORTISATION EXPENSE

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Depreciation of property, plant and equipment	6,739.20	6,786.37
(b) Depreciation of right of use assets	1.62	1.62
	<b>6,740.82</b>	<b>6,787.99</b>

### 22. OTHER EXPENSES

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Consumption of stores, spares and consumables	2,936.19	2,227.13
(b) Contractual handling expenses	537.10	549.27
(c) Insurance charges	276.88	257.96
(d) Rates and taxes	433.63	53.50
(e) <b>Repairs and maintenance: #</b>		
Machinery	1,610.14	679.54
Building	-	79.68
(f) <b>Payment to auditor:</b>		
Statutory audit fee (including quarterly audit)	25.00	25.00
Tax audit fee	5.00	5.00
Certification and other fees	6.10	4.10
Reimbursement of expenses	0.65	0.23
(g) Net loss on foreign currency translations and transactions	0.58	-
(h) Legal and professional	86.42	80.92
(i) Directors' sitting fee	6.80	7.40
(j) Directors' commission	40.00	-
(k) Deputation charges	201.32	189.70
(l) CSR Expenses (refer note 47)	30.25	-
(m) Miscellaneous	25.09	23.80
	<b>6,221.15</b>	<b>4,183.23</b>

For transactions made with related parties, refer note no. 28

# Repair and maintenance expenses of ₹ 284.70 lakhs (Previous year ₹ 290.30 lakhs) recovered under service agreement.



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 23. EXCEPTIONAL ITEMS

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Reversal of Impairment on investments in preference shares	-	50.00
	-	50.00

### 24. EARNING PER SHARE

The following table reflects the income and shares data used in computation of the basic and diluted earnings per share:

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Profit for the year (₹ Lakhs)	5,400.27	5,191.03
(b) Face value per share (₹)	10.00	10.00
(c) Number of equity shares at the beginning of the year	1,00,00,142	1,00,00,142
Add: Issued during the year	-	-
Less: Cancelled during the year	-	-
Number of equity shares at the end of the year	1,00,00,142	1,00,00,142
(d) Weighted average number of equity shares*	1,00,00,142	1,00,00,142
(e) Effect of dilution	-	-
(f) Weighted average number of equity shares for diluted EPS*	1,00,00,142	1,00,00,142
(g) <b>Earning Per Share : (not annualised)</b>		
Basic (₹ / share) [ (a)/(d) ]	54.00	51.91
Diluted (₹/ share) [ (a)/(f) ]	54.00	51.91

\*There have been no transactions involving Equity shares or Potential Equity shares between the reporting date and the date of approval of these financial statements that would have an impact on the outstanding weighted average number of equity shares as at the year end.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 25. TAX EXPENSES

**(a) Income tax expense:**

The major components of income tax expenses are as follows:

**(i) Profit or loss section**

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense	-	-
Deferred tax expense	-	-
<b>Total income tax expense recognised in statement of profit &amp; loss</b>	<b>-</b>	<b>-</b>

**(ii) OCI section**

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Net (gain) on remeasurement of defined benefit plans	-	-
Unrealised (gain)/loss on FVTOCI equity securities	-	-
<b>Income tax charged to OCI</b>	<b>-</b>	<b>-</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :**

	(₹ Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting profit before tax from continuing operations	5,400.27	5,191.03
Accounting profit before tax from discontinuing operations	-	-
<b>Accounting profit before income tax</b>	<b>5,400.27</b>	<b>5,191.03</b>
At India's statutory income tax rate of 34.944% (Previous year: 34.944%)	1,887.07	1,813.95
<b>Non-deductible expenses for tax purposes:</b>		
(a) Tax effect of Income exempt from tax	-	-
(b) Tax effect of Items not deductible	10.57	-
(c) Tax effect of items brought forward losses and other items	-	-
(d) Tax effect due to non accounting of deferred tax assets on brought forward tax losses	(1,897.64)	(1,813.95)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>-</b>	<b>-</b>

(c) Deferred tax assets of ₹ 80,685.83 Lakhs (Previous year: ₹ 82,250.43 Lakhs) have not been recognised on unused tax losses and unabsorbed depreciation, as at present it is not probable that sufficient taxable income will be available in near future against which such unused tax losses and unabsorbed depreciation can be utilised.

(d) The amounts and expiry dates, if any, of unused tax losses and unabsorbed depreciation on which no deferred tax asset is recognised in the balance sheet are given below :

<b>As at March 31, 2023</b>		
Particulars	Year of expiry	(₹ Lakhs) Amount
Unabsorbed depreciation	No expiry	1,82,709.06
Unused tax losses	next 2 to 8 years	48,191.34
		<b>2,30,900.40</b>

<b>As at March 31, 2022</b>		
Particulars	Year of expiry	(₹ Lakhs) Amount
Unabsorbed depreciation	No expiry	1,80,142.44
Unused tax losses	next 3 to 8 years	55,235.38
		<b>2,35,377.82</b>



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 26 Employee benefits

#### A. Defined Contribution Plans

Provident Fund: During the year, the Company has recognised ₹ 20.28 Lakhs (Previous year ₹ 27.99 Lakhs) as contribution to Employee Provident Fund in the Statement of Profit and Loss.

#### B. Defined Benefit Plans - Gratuity

The Company made provision for gratuity in accordance with Ind-AS 19 "Employee Benefits". Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of ₹ 20 Lakhs at the time of separation from the company.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023 wherein expense and liabilities in respect of gratuity were measured using the Projected Unit Credit Method : The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for defined benefit plans:

	(₹ Lakhs)	
	Current Year	Previous Year
(i) <b>Reconciliation of fair value of plan assets and defined benefit obligation:</b>		
Fair value of plan assets	-	-
Defined benefit obligation	273.77	244.74
<b>Net assets / (liability) recognised in the Balance Sheet at year end</b>	<b>(273.77)</b>	<b>(244.74)</b>
(ii) <b>Changes in the present value of the defined benefit obligation are, as follows:</b>		
<b>Defined benefit obligation at beginning of the year</b>	<b>244.74</b>	<b>152.09</b>
Current service cost	25.59	18.76
Interest expense	17.42	10.27
Benefits paid	(8.97)	(3.42)
Actuarial (gain)/ loss on obligations - OCI	(5.02)	67.04
<b>Defined benefit obligation at year end</b>	<b>273.77</b>	<b>244.74</b>
(iii) <b>Amount recognised in Statement of Profit and Loss:</b>		
Current service cost	25.59	18.76
Net interest expense	17.42	10.27
Remeasurement of Net Benefit Liability/ Asset	-	-
<b>Amount recognised in Statement of Profit and Loss</b>	<b>43.01</b>	<b>29.03</b>
(iv) <b>Amount recognised in Other Comprehensive Income:</b>		
Actuarial (gain)/ loss on obligations	(5.02)	67.04
Return on plan assets (excluding amounts included in net interest expense)	-	-
<b>Amount recognised in Other Comprehensive Income</b>	<b>(5.02)</b>	<b>67.04</b>
(v) <b>The Company has no plan assets.</b>		
(vi) <b>The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:</b>		
Discount rate (in %)	7.30%	7.25%
Salary Escalation (in %)	8.00%	8.00%
Rate of return in plan assets (in %)	-	-
Expected average remaining working lives of employees (in years)	60	60
Expected average remaining working lives of employees (in years)	18.64	19.64





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 26 Employee benefits

(vii) A quantitative sensitivity analysis for significant assumption are given as below :

(₹ Lakhs)

Sensitivity Level	As at March 31, 2023		As at March 31, 2022	
	1%	-1%	1%	-1%
Effect of change in discount rate	(10.00)	12.00	(11.00)	13.00
Effect of change in salary escalation	11.00	(10.00)	12.00	(11.00)

- The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
- Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(viii) Maturity profile of defined benefit obligation :

(₹ Lakhs)

	As at March 31, 2023	As at March 31, 2022
Within next twelve months	6.68	5.86
Between one to five years	61.18	57.98
Beyond five years	205.91	180.90

(ix) Expected contribution for the next Annual reporting period.

(₹ Lakhs)

	As at March 31, 2023	As at March 31, 2022
Service Cost	-	-
Net Interest Cost	-	-
<b>Expected Expense for the next annual reporting period</b>	-	-

(x) Actuarial Valuation Assumptions

The Principal actuarial assumptions considered in the valuation were :

**Economic Assumptions** :The discount rate and salary increase rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

**Discount Rate** : The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

**Salary Escalation Rate** : The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long-term view as to the trend in salary escalation rates has to be taken rather than guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

**Attrition Rate / Withdrawal Rate** : Past experience indicates the current level of attrition. The assumption may incorporate the company's policy towards retention of employees, historical data & industry outlook.

**Mortality Rate** : Mortality Table (IALM) 2012-2014, as issued by Institute of Actuaries of India, for the valuation.

### 27 Segment Reporting

(a) According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "Generation and Supply of Power under tolling arrangement" within the country. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

(b) Holding company account for entire revenue of the company for the current year and previous year.



**ANGUL ENERGY LIMITED**  
NOTES TO FINANCIAL STATEMENTS

28 Related party disclosures  
(to the extent identified by the Company)

**Names of related parties and description of relationship**

**A Relationship**

**i) Entity having significant influence over the ultimate holding company**

Tata Sons Private Limited

**ii) Holding company**

Tata Steel Limited

**iii) Key Management Personnel :**

Mr. Shailesh Verma	Managing Director
Mr. Sanjib Nanda ^	Director
Mr. Ansuman Das ^	Director
Mrs. Meena Lall ^	Director
Mr. Subodh Pandey ^	Director
Mr. Sougata Ray ^	Director
Mr. Rajesh Kumar Aggarwal ^	Director (from July 13, 2021)
Mr. Sanjeev Kumar Poddar \$	Chief Financial Officer (from September 15, 2021)
Mr. Rupesh Purwar \$	Company Secretary

^ under Ind AS

\$ under the Companies Act, 2013

**iv) Tata Steel Ltd (holding company) holds 50% in joint venture:**  
Mjunction Services Limited

**v) Fellow Subsidiaries (being subsidiaries of holding company)\***

Tata Steel Technical Services Limited  
Bhushan Steel (South) Limited  
Tata Pigments Limited  
Tata Steel Foundation.

\*where transactions has taken place during the period

(₹ Lakhs)

	Year Ended	Holding Company ^	Key Management Personnel (KMP)	Fellow Subsidiaries	Grand Total
<b>Transactions during the period</b>					
Tolling charges (including recovery of one time costs)	31-Mar-23	19,499.66	-	-	19,499.66
	31-Mar-22	18,511.05	-	-	18,511.05
Reimbursement of electricity duty	31-Mar-23	8,677.82	-	-	8,677.82
	31-Mar-22	8,746.00	-	-	8,746.00
Interest expenses on borrowings	31-Mar-23	645.28	-	-	645.28
	31-Mar-22	1,545.42	-	-	1,545.42
Proceeds from redemption of preference shares	31-Mar-23	-	-	-	-
	31-Mar-22	-	-	50.00	50.00
Deputation cost incurred (Refer note 3 below) #	31-Mar-23	201.32	-	-	201.32
	31-Mar-22	189.70	-	-	189.70
Short-term employee benefits (Including Director Sitting Fee)	31-Mar-23	-	46.80	-	46.80
	31-Mar-22	-	7.40	-	7.40
Reimbursement of employee cost [recovered]	31-Mar-23	396.87	-	-	396.87
	31-Mar-22	386.77	-	-	386.77
Reimbursement of repair and maintenance expenses recovered	31-Mar-23	284.70	-	-	284.70
	31-Mar-22	290.30	-	-	290.30
Short-term employee benefits (Managerial remuneration to KMP)**	31-Mar-23	-	28.64	-	28.64
	31-Mar-22	-	23.63	-	23.63
Purchase of goods	31-Mar-23	158.72	-	-	158.72
	31-Mar-22	119.49	-	-	119.49
Services received #	31-Mar-23	9.58	-	370.35	379.93
	31-Mar-22	23.90	-	418.64	442.54
Scrap sales	31-Mar-23	147.10	-	-	147.10
	31-Mar-22	87.20	-	-	87.20
<b>Closing balances</b>					
Receivables (including GST)	31-Mar-23	3,957.05	-	-	3,957.05
	31-Mar-22	4,243.48	-	-	4,243.48
Borrowing payable	31-Mar-23	3,000.00	-	-	3,000.00
	31-Mar-22	12,600.00	-	-	12,600.00
Interest on borrowing payable	31-Mar-23	434.19	-	-	434.19
	31-Mar-22	1,097.02	-	-	1,097.02
Payables (including GST)	31-Mar-23	56.99	-	106.52	163.51
	31-Mar-22	22.44	-	237.85	260.29

# Including provisions

\*\* The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees together. As the liability for leave encashment are provided on actuarial basis for the company as a whole, hence not included as above.

Above amounts are excluding GST unless otherwise stated.

**Terms and conditions related to Outstanding balances :**

- 1) Trade and others receivables are receivable in cash within 30 days of the due date and are unsecured.
- 2) All outstanding payables are unsecured and payable in cash.
- 3) Key management personnel services are provided by holding company.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 29 Financial Instruments

A) Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	As at		As at		(₹ Lakhs)
	March 31, 2023		March 31, 2022		
	Carrying Value	Fair Value	Carrying Value	Fair Value	
<b>Financial assets</b>					
<b>Measured at amortized cost</b>					
Other financial Assets					
- Non Current	205.51	205.51	3.19	3.19	
- Current	1.03	1.03	0.81	0.81	
Trade receivables	3,863.02	3,863.02	4,243.48	4,243.48	
Cash and cash equivalents	64.26	64.26	231.99	231.99	
Other balances with bank	6.39	6.39	244.24	244.24	
<b>Total Financial assets at amortised cost (A)</b>	<b>4,140.21</b>	<b>4,140.21</b>	<b>4,723.71</b>	<b>4,723.71</b>	
<b>Financial Assets</b>					
<b>Measured at fair value through profit and loss</b>					
Current Investments	1,854.38	1,854.38	-	-	
<b>Total financial assets at fair value through profit and loss (B)</b>	<b>1,854.38</b>	<b>1,854.38</b>	<b>-</b>	<b>-</b>	
<b>Measured at fair value through other Comprehensive Income</b>					
Non Current Investments	106.98	106.98	91.65	91.65	
<b>Total financial assets at fair value through other comprehensive Income (C)</b>	<b>106.98</b>	<b>106.98</b>	<b>91.65</b>	<b>91.65</b>	
<b>Total financial assets ( A+B+C )</b>	<b>6,101.57</b>	<b>6,101.57</b>	<b>4,815.36</b>	<b>4,815.36</b>	
<b>Financial liabilities</b>					
<b>Measured at amortized cost</b>					
Borrowings and lease liabilities	3,019.26	3,019.26	12,618.89	12,618.89	
Trade payables	1,936.45	1,936.45	1,512.50	1,512.50	
Other financial liabilities	168.26	168.26	1,724.13	1,724.13	
<b>Total</b>	<b>5,123.97</b>	<b>5,123.97</b>	<b>15,855.52</b>	<b>15,855.52</b>	

The management assessed that cash and cash equivalents, other bank balances, trade and other receivables, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### B) Fair value hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:-

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### B.1) Financial assets and liabilities measured at fair value - recurring fair value measurements

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	(₹ Lakhs)			
As at 31st March 2023	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
Investments measured at -				
Fair value through other comprehensive income	106.98	-	-	106.98
Fair value through profit & loss	-	1,854.38	-	1,854.38
<b>As at 31st March 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets at fair value</b>				
Investments measured at -				
Fair value through other comprehensive income	91.65	-	-	91.65
Fair value through profit & loss	-	-	-	-

#### a) Valuation process and technique used to determine fair value

i) The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date and fair value of investments in mutual funds is based on unquoted net assets value as at the balance sheet date.

ii) There is no transfer between level 1 to level 2.

iii) The Company has investments in equity of a foreign company which has negative networth therefore fair value has been considered NIL (Previous year NIL).

### B.2) Fair value of instruments measured at amortised cost

For the purpose of disclosing fair values of financial instruments measured at amortised cost, the management assessed that fair values of short term financial assets and liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Further, the fair value of long term financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 30 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits given, employee advances, trade and other receivables, cash and term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk, liquidity risk, interest risk and foreign currency risk. The Company's management oversees the management of these risks. The management reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company is not significantly exposed to currency risk and other price risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's long-term debt obligations with prevailing market interest rate.

After CIRP process, the Company have fixed rate borrowings therefore no interest rate risk exist.

#### Credit risk

Credit risk is the risk that counterparty 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 operating activities including deposits with banks and other third parties and other financial instruments.

#### Trade and other receivables:

Trade receivables do not have any significant potential credit risk for the Company as the business of the Company is with single customer. The Company Management has established a credit policy under which the customer is analyzed for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limit has been set up and reviewed periodically. The credit risk from loans and advances are being managed in accordance with the procedures defined by the Company which includes parameters of safety, liquidity and returns. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank reference checks are also done.

#### Liquidity risk

Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of liquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable the Company to meet its payment obligations. Currently the Company is facing liquidity crises due to cash losses and major capitalisation in past.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	< 1 year	2-3 years	3-5 years	> 5 years	(₹ Lakhs) Total
<b>Year ended March 31, 2023</b>					
Borrowings and lease liabilities #	3,001.52	1.52	3.04	13.18	3,019.26
Trade payables	1,936.45	-	-	-	1,936.45
Other financial liabilities	168.26	-	-	-	168.26
	<b>5,106.23</b>	<b>1.52</b>	<b>3.04</b>	<b>13.18</b>	<b>5,123.97</b>
<b>Year ended March 31, 2022</b>					
Borrowings and lease liabilities #	8,400.01	4,200.01	3.04	15.82	12,618.88
Trade payables	1,512.50	-	-	-	1,512.50
Other financial liabilities	1,724.13	-	-	-	1,724.13
	<b>11,636.64</b>	<b>4,200.01</b>	<b>3.04</b>	<b>15.82</b>	<b>15,855.51</b>

# Refer Note No. 14

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currency.

#### Foreign currency sensitivity

The Company has exposure in foreign currencies. The impact on the Company's profit before tax is due to changes in foreign exchange rates and its impact on value of monetary assets and liabilities. The Company's exposure to foreign currency changes is not material.



# ANGUL ENERGY LIMITED

## NOTES TO INTERIM FINANCIAL STATEMENTS

### 31. Exposure to Financial and Commodity Derivatives

The Company has not entered into derivative instruments to hedge their foreign currency contracts. Foreign currency exposure that are not hedged by a derivative instrument as at Balance Sheet are as follows

	Currency	As at March 31, 2023			As at March 31, 2022		
		Amount in Foreign Currency	Amount	Conversion Rate	Amount in Foreign Currency	Amount	Conversion Rate
(₹ Lakhs)							
<b>Unhedged Payables</b>							
Trade Payables	USD	-	-	-	0.06	4.39	75.67
<b>Total</b>		-	-	-	<b>0.06</b>	<b>4.39</b>	

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Currency	(₹ Lakhs)	
		As at March 31, 2023	As at March 31, 2022
<b>USD sensitivity</b>			
INR/USD- increase by 10%*	USD	-	(0.01)
INR/USD- decrease by 10%*	USD	-	0.01

\*Holding all other variables constant





# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 32 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the 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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

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.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

	(₹ Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Equity Share Capital	1,000.01	1,000.01
Other Equity	92,429.31	87,008.68
<b>Shareholders' Fund</b>	<b>93,429.32</b>	<b>88,008.69</b>
Borrowings	3,000.00	12,600.00
Lease Liabilities	19.26	18.89
<b>Total debts</b>	<b>3,019.26</b>	<b>12,618.89</b>
<b>Net debt to total equity</b>	<b>0.03</b>	<b>0.14</b>



**ANGUL ENERGY LIMITED**  
NOTES TO INTERIM FINANCIAL STATEMENTS

33 Commitments and Contingencies

**Contingent liabilities, contingent assets and commitments as identified by the Company**

	(₹ Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Contingent liabilities (not provided for) in respect of:</b>		
<b>A. Demands, among others against which the Company has preferred appeals</b>		
- Entry Tax	-	-
- Income Tax	-	-
- Customs	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

As per the approved Resolution Plan, contingent liabilities (which have / are capable of being crystallized) prior to May 30, 2019 ("Effective Date") stand extinguished.

Furthermore, the Resolution Plan, among other matters, provide that except to the extent of the amount payable to the relevant Operational Creditors in accordance with the Resolution Plan, all liabilities of the Company relating in any manner to the period prior to the Effective Date, immediately, irrevocably and unconditionally stand fully and finally discharged and settled and there being no further claims whatsoever, and all the rights of the Operational Creditors and Other Creditors to invoke or enforce the same stands waived off. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the Company also stands extinguished. Further, in terms of the Resolution Plan, no Governmental Authority has any further rights or claims against the Company, in respect of the period prior to the Effective Date and / or in respect of the amounts written off and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors, to enforce any rights or claims against the Company will immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished. Further, the Operational Creditors of the Company (including Governmental Authorities) and Other Creditors will have no further rights or claims against the Company (including but not limited to, in relation to any past breaches by the Company), in respect of any liability for period prior to the Effective Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished.

The Company has been advised that while the Resolution Plan provides for extinguishment of all liabilities of the Company owed to Operational Creditors and Other Creditors as of the Insolvency Commencement Date i.e. January 08, 2018, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the Company. Accordingly, the Company has concluded that any receivables due to the Company, evaluated based on merits of underlying litigations, from various governmental agencies continue to subsist.

	As at March 31, 2023	As at March 31, 2022
<b>B. Capital Commitment</b>		
- The Company has entered into contracts with suppliers and contractors for Erection, Installation, Commissioning of capital items (net of advances ₹ 429 lakhs).	4,378.52	-

34 Leases  
As a Lessee

- (i) The Company recognizes the expenses of short-term leases on a straight-line basis over the lease term. There was no expenses related to short-term leases in current year and previous year..
- (ii) There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback for the year ended March 31, 2023. (Previous year Nil)
- (iii) There are no variable lease payments for the year ended March 31, 2023 and March 31, 2022.
- (iv) Total cash outflow on leases for the year ended March 31, 2023 was ₹ 1.52 Lakhs (Previous year ₹ 1.52 Lakhs)
- (v) The maturity profile of the lease liabilities as of March 31, 2023 is as follows:

Financial Year	0-1 year	1-3 years	3-5 Years	Total
FY 22-23	1.52	3.04	3.04	7.60
FY 21-22	1.52	3.04	3.04	7.60

As a Lessor

The Company had given certain assets on operating lease to Tata Steel Limited w.e.f. October 24, 2019 for a period of 15 years. Based on agreed terms, Tata Steel Limited shall pay job charges based on electricity unit transferred or ₹ 975 lakhs per month which ever is higher.

35 Other Notes

As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities is given below :

Item	Balance as on April 1, 2022	Cash Flow	Non Cash Changes	Balance as on March 31, 2023
Lease Liability	18.89	(1.52)	1.89	19.26
Item	Balance as on April 1, 2021	Cash Flow	Non Cash Changes	Balance as on March 31, 2022
Lease Liability	18.59	(1.52)	1.82	18.89





# ANGUL ENERGY LIMITED

## NOTES TO INTERIM FINANCIAL STATEMENTS

36 Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason of Change (% change beyond 25%)
a) Current Ratio (Times)	Current Asset	Current Liability	0.96	0.41	134.15%	Due to decrease in / repayment of current liabilities
b) Debt-Equity Ratio (Times)	Total Debt	Shareholder Equity	0.03	0.14	-78.57%	Due to repayment of borrowings
c) Debt Service Coverage Ratio (Times)	EBITDA	Debt Service	3.72	1.42	161.97%	Due to repayment of borrowings
d) Return on Equity Ratio	Profit after tax	Average Shareholder Equity	5.95%	6.08%	-2.14%	
e) Inventory turnover ratio (Times)	Cost of material consumed	Average Inventory	NA	NA	NA	
f) Trade Receivables turnover ratio (Times)	Net Credit Sales	Average Trade Receivables	4.81	4.34	10.83%	
g) Trade payables turnover ratio (Times)	Net Credit Purchases	Average Trade Payables	NA	NA	NA	
h) Net capital turnover ratio (Times)	Net Sales	Average Working Capital	-	-	-	Being negative hence not disclosed.
i) Net profit ratio	Net Profit after Tax	Net Sales	27.69%	28.04%	-1.25%	
j) Return on Capital employed	Earning before interest and tax	Capital Employed	5.95%	6.88%	-13.52%	
k) Return on investment	Income received on investments	Average of investments	4.49%	9.55%	-52.98%	Lower return on investment

37 Registration of Charges or satisfaction with Registrar of Companies (ROC)

The company does not have any charges or satisfactions yet to be registered with the registrar of the companies beyond the statutory period.

38 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of Angul Energy Limited at its meeting held on February 06, 2023 approved a Scheme of Amalgamation of Angul Energy Limited ("Transferor Company") into and with Tata Steel Limited ("Transferee Company") (hereinafter referred to as 'the Scheme') w.e.f. appointed date i.e. April 1, 2022.

The Scheme is subject to the receipt of approval from the (a) requisite majority of the shareholders of the Transferor Company and Transferee Company; (b) Competent Authority (as defined in the Schemes), (c) SEBI and Stock Exchanges (where the shares of transferee Company are listed) and (d) such other approvals, permissions and sanctions of regulatory and other statutory or governmental authorities / quasi-judicial authorities, as may be necessary as per applicable laws.

39 Details of Benami Property held

There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Properties Transactions Act, 1988 and rules made thereunder.

40 Wilful Defaulter

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

41 Relationship with Struck off Companies

During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013.

42 Compliance with number of layers of companies

The Company has no subsidiary, therefore clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable on the Company.

43 Utilisation of Borrowed funds and share premium

During the financial year ended March 31, 2023, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44 Undisclosed Income

The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.



# ANGUL ENERGY LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 45 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### 46 Core Investment Company (CIC)

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Based on the information and explanations provided by the management of the Company, the Group has six CICs as part of the Group.


### 47 Corporate Social Responsibility

	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Amount required to be spent by the company during the year	30.25	-
(ii) Amount of expenditure incurred	30.25	5.09
(iii) Shortfall at the end of the period	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason of shortfall	-	-
(vi) Nature of CSR activities	Livelihood, Education, Drinking water, Sports Activities	Rural sports promotion.
(vii) Details of related party transactions - paid to Tata Steel Foundation	30.25	-
(viii) Movement Provision made for contractual obligation	-	-

48 In terms of requirements of IAS – 36 “Impairment of Assets”, the Company has carried out an impairment assessment of the Company using value in use model which is based on the net present value of the future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions etc. Based on the assessment, the Company believes that carrying amount of aforesaid CGU does not exceed its recoverable amount and accordingly no further impairment loss / impairment reversal is required to be recognized.

49 Previous year/period's figures have been regrouped or rearranged to confirm current year classification wherever necessary.

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E

  
**Bimal Kumar Sipani**  
Partner  
Membership No. 088926

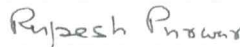


Date: April 24, 2023  
Place: Noida (Delhi - NCR)

For and on behalf of the Board of Directors

  
**Subodh Pandey**  
Director  
(DIN : 08279634 )  
Place : Angul

  
**Shailesh Verma**  
Managing Director  
(DIN : 08830968)  
Place : Angul

  
**Rupesh Purwar**  
Company Secretary  
Place : New Delhi

  
**Sanjeev Kumar Poddar**  
Chief Financial Officer  
Place : Angul