

## INDEPENDENT AUDITOR'S REPORT

To the Members of Industrial Energy Limited

Report on the Audit of the Ind AS Financial Statements

### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2020, 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

### Responsibility of Management for the Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those 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 Ind AS 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 Ind AS 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 Ind AS 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 with reference to financial statements 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;
  - (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 does not have any pending litigations which would impact its financial position;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

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per Kamal Agarwal  
Partner  
Membership Number: 058652  
UDIN: 20058652AAAAAP1727  
Place of Signature: Kolkata  
Date: April 29, 2020

“ANNEXURE 1” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Industrial Energy Limited (‘the Company’) as at and for the year ended March 31, 2020

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds, comprising of all the immovable properties, are in the name of the Company as at the balance sheet date, except for as below

Total number of cases	Class of assets	Amount (in Rs. Crores)	Remarks
1 Building at Kalinganagar	Building (Accounted for as finance lease receivables)	19.07	The Company has entered into an agreement for sale purchase of the Asset on October 24, 2019 pursuant to which the control of the asset has been transferred to the Company.

Further, the Company is also in possession of freehold land amounting to Rs. 24.54 crores, the original title deeds whereof could not be verified by us in view of nationwide lockdown consequent to the Coronavirus pandemic, and hence we are unable to comment upon the same. However, the management has provided us the scan copies of the title deeds for our verification.

- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of

section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

- (v) According to the information and explanation given to us the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and according to the information and explanation given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)
  - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year-end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in crores)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994- Service Tax	Service Tax	0.60	April 2011 to Sept 2015	CESTAT, Kolkata

- (viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution and bank. The Company did not have any outstanding loans or borrowing in respect of government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt

instruments. The term loan have been applied by the Company during the year for the purpose for which they were raised.

- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given and representations made to us by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (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 and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

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per Kamal Agarwal  
Partner  
Membership Number: 058652  
Place of Signature: Kolkata  
Date: April 29, 2020

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INDUSTRIAL ENERGY LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Industrial Energy Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS 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 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 the 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 over financial reporting with reference to these Ind AS 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, 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 over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS 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 internal financial controls over financial reporting with reference to these Ind AS financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2020, 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 S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal  
Partner  
Membership Number: 058652  
Place of Signature: Kolkata  
Date: April 29, 2020

Industrial Energy Limited			
Balance Sheet as at March 31, 2020			
All amounts are in Rs. Crores unless otherwise stated			
Particulars	Notes	As at 31-Mar-20	As at 31-Mar-19
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, plant and equipment	3	6.20	5.85
(b) Capital Work-in-Progress		195.85	88.55
(c) Financial Assets			
(i) Finance Lease Receivables	4	1,368.30	1,308.32
(ii) Other Financial Assets	5	8.96	8.26
(d) Non Current Tax Asset (Net)		11.21	11.54
(e) Other Non-current Assets	6	44.63	10.73
<b>Total Non-current Assets</b>		<b>1,635.15</b>	<b>1,433.25</b>
<b>Current Assets</b>			
(a) Inventories	7	24.86	26.00
(b) Financial Assets			
(i) Investments	8	60.10	53.13
(ii) Trade Receivables	9	28.18	56.27
(iii) Cash and cash Equivalents	10	3.83	48.46
(iv) Finance lease receivables	4	119.34	104.05
(v) Other financial assets	5	23.04	17.15
(c) Other Current Assets	6	6.40	0.76
<b>Total Current Assets</b>		<b>265.75</b>	<b>305.82</b>
<b>TOTAL ASSETS</b>		<b>1,900.90</b>	<b>1,739.07</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	11	666.00	666.00
(b) Other Equity	12	168.52	100.66
<b>Total Equity</b>		<b>834.52</b>	<b>766.66</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	575.53	522.00
(b) Long Term Provisions	14	10.34	9.08
(c) Deferred Tax Liabilities (Net)	15	202.57	231.66
<b>Total Non-current Liabilities</b>		<b>788.44</b>	<b>762.74</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	27.60	27.60
(ii) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	17	0.02	0.15
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	20.88	16.10
(iii) Other Financial Liabilities	18	221.23	156.92
(b) Provisions	14	0.36	0.58
(c) Current Tax Liabilities (Net)		0.33	0.87
(d) Other Current Liabilities	19	7.52	7.45
<b>Total Current Liabilities</b>		<b>277.94</b>	<b>209.67</b>
<b>Total Liabilities</b>		<b>1,066.38</b>	<b>972.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,900.90</b>	<b>1,739.07</b>
See accompanying notes to the financial statements			
As per our report of even date		For and on behalf of the Board of Directors	
For S.R.BATLIBOI & CO LLP ICAI Firm Registration no : 301003E/E300005 Chartered Accountants		Vijay V. Namjoshi Director Mumbai	Avneesh Gupta Director Jamshedpur
per Kamal Agarwal Partner Membership no : 058652		Vijayant Ranjan Chief Executive Officer Jamshedpur	Aditya Kumar Mishra Chief Financial Officer Bhubaneswar
Kolkata, April, 29 2020		Kalika Dabholkar Secretary Mumbai, April, 29 2020	

Industrial Energy Limited			
Statement of Profit and Loss for the Year ended March 31, 2020			
All amounts are in Rs. Crores unless otherwise stated			
Particulars	Notes	Year ended 31-Mar-20	Year ended 31-Mar-19
I Revenue from Contracts with Customers	20	301.29	300.40
II Other Income	21	5.07	15.14
III <b>Total Income (I+II)</b>		<b>306.36</b>	<b>315.54</b>
IV <b>Expenses</b>			
(a) Cost of Fuel Consumed		12.84	8.77
(b) Employee Benefits Expense	22	18.80	17.07
(c) Finance Costs	23	53.84	64.69
(d) Other Expenses	24	76.18	62.91
<b>Total Expenses (IV)</b>		<b>161.66</b>	<b>153.44</b>
V <b>Profit Before Tax (III-IV)</b>		<b>144.70</b>	<b>162.10</b>
VI <b>Tax Expense:</b>			
(i) Current Tax	25	27.04	37.24
(ii) Adjustment of tax relating to earlier periods		(1.77)	-
(iii) Deferred Tax	25	(29.09)	13.73
<b>Total Income tax expense</b>		<b>(3.82)</b>	<b>50.97</b>
VII <b>Profit for the year ( V-VI)</b>		<b>148.52</b>	<b>111.13</b>
VIII <b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
(a) Remeasurements loss on defined benefit plans		0.45	0.33
(b) Income -tax effect on above		(0.08)	(0.08)
<b>Other comprehensive income for the year, net of tax</b>		<b>0.37</b>	<b>0.25</b>
IX <b>Total comprehensive income for the year (VII-VIII)</b>		<b>148.15</b>	<b>110.88</b>
Earnings Per Equity Share- basic and diluted (in Rs.)	26	2.23	1.67
See accompanying notes to the financial statements As per our report of even date			
For and on behalf of the Board of Directors			
For S.R.BATLIBOI & CO LLP ICAI Firm Registration no : 301003E/E300005 Chartered Accountants	Vijay V. Namjoshi Director Mumbai	Avneesh Gupta Director Jamshedpur	
per Kamal Agarwal Partner Membership no : 058652	Vijayant Ranjan Chief Executive Officer Jamshedpur	Aditya Kumar Mishra Chief Financial Officer Bhubaneswar	
	Kalika Dabholkar Secretary Mumbai, April,29 2020		
Kolkata, April,29 2020			

Industrial Energy Limited

Statement of changes in equity for the Year ended March 31,2020

All amounts are in Rs. Crores unless otherwise stated

(a) Equity Share Capital

Particulars	As at	As at
	31-Mar-20	31-Mar-19
	Audited	Audited
<b>Balance as at 1st April, 2018</b>	666.00	666.00
Equity share capital issued during the year	-	-
<b>Balance as at 31st March, 2019</b>	666.00	666.00
Equity share capital issued during the year	-	-
<b>Balance as on 31st March, 2020</b>	666.00	666.00

(b) Other Equity

Particulars	Reserves and Surplus		Total Equity
	General reserve	Retained Earnings	
<b>Balance as at 1st April, 2018</b>	19.33	66.81	86.14
Profit for the year	-	111.13	111.13
Other comprehensive income for the year (net of tax)	-	0.25	0.25
<b>Total comprehensive income</b>	<b>19.33</b>	<b>177.69</b>	<b>197.02</b>
Payment of Dividend on Equity Shares (including Rs.16.44 Crores tax thereon)	-	(96.36)	(96.36)
<b>Balance as at 31st March, 2019</b>	<b>19.33</b>	<b>81.33</b>	<b>100.66</b>
<b>Balance as at 1st April, 2019</b>	19.33	81.33	100.66
Profit for the year	-	148.52	148.52
Transfer to General Reserve	49.55	(49.55)	-
Other comprehensive income for the year (net of tax)	-	0.37	0.37
<b>Total comprehensive income</b>	<b>68.88</b>	<b>179.93</b>	<b>248.81</b>
Payment of Dividend on Equity Shares (including Rs.13.69 Crores tax thereon)	-	(80.29)	(80.29)
<b>Balance as on 31st March, 2020</b>	<b>68.88</b>	<b>99.64</b>	<b>168.52</b>

See accompanying notes to the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For S.R.BATLIBOI & CO LLP

ICAI Firm Registration no : 301003E/E300005

Chartered Accountants

Vijay V. Namjoshi

Director

Mumbai

Avneesh Gupta

Director

Jamshedpur

per Kamal Agarwal

Partner

Membership no : 058652

Vijayant Ranjan

Chief Executive Officer

Jamshedpur

Aditya Kumar Mishra

Chief Financial Officer

Bhubaneswar

Kalika Dabholkar

Company Secretary

Mumbai, April,29 2020

Kolkata, April,29 2020

<b>Industrial Energy Limited</b>		
Statement of cash flows for the Year ended March 31, 2020 All amounts are in Rs. Crores unless otherwise stated		
Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
<b>Profit before tax</b>	144.70	162.10
<b>Adjustments for:</b>		
Gain on Investments classified as fair value through profit or loss	(3.69)	(4.79)
Interest Income from Bank deposits	(0.56)	(0.98)
Finance costs	53.84	64.69
<b>Cash flow from operating activities</b>	<b>194.29</b>	<b>221.02</b>
<b>Movements in working capital</b>		
Decrease in trade and other receivables	28.09	10.18
Decrease in finance lease receivable	103.91	98.61
Decrease/(Increase) in inventories	1.14	(4.95)
Decrease/(Increase) in other financial assets and other assets	(38.97)	10.42
Increase/ (Decrease) in trade payables	4.65	(2.47)
Increase / (Decrease) in other liabilities	0.84	(64.75)
<b>Cash generated from operations</b>	<b>293.95</b>	<b>268.06</b>
Income taxes paid	(25.48)	(40.00)
<b>Cash flow from operating activities</b>	<b>268.47</b>	<b>228.06</b>
<b>Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment (reclassified as Finance lease receivables), incl capital advances	(178.77)	(30.58)
(Increase)/Decrease in Bank Deposits	(0.71)	40.52
Interest Income of Bank Deposits	0.56	0.98
Proceeds from sale of investments	930.72	725.53
Purchase of current investments	(938.99)	(743.88)
<b>Cash flow used in investing activities</b>	<b>(187.19)</b>	<b>(7.43)</b>
<b>Cash flow used in financing activities</b>		
Repayment of Inter corporate deposits	-	(18.62)
Proceeds from long term borrowings	142.00	381.22
Repayment of long-term borrowings	(133.02)	(377.65)
Dividends paid on equity shares	(66.60)	(79.92)
Additional Income-tax on Dividend Paid	(13.69)	(16.43)
Interest paid	(54.60)	(62.76)
<b>Cash flow used in financing activities</b>	<b>(125.91)</b>	<b>(174.16)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(44.63)</b>	<b>46.47</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>48.46</b>	<b>1.99</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>3.83</b>	<b>48.46</b>
See accompanying notes to the financial statements		
Cash and cash equivalents include:		
Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
A. Balance with Banks	3.83	48.46
	3.83	48.46
As per our report of even date	For and on behalf of the Board of Directors	
For S.R.BATLIBOI & CO LLP ICAI Firm Registration no : 301003E/E300005 Chartered Accountants	Vijay V. Namjoshi Director Mumbai	Avneesh Gupta Director Jamshedpur
per Kamal Agarwal Partner Membership no : 058652	Vijayant Ranjan Chief Executive Officer Jamshedpur	Aditya Kumar Mishra Chief Financial Officer Bhubaneswar
	Kalika Dabholkar Secretary	
Kolkata, April, 29 2020	Mumbai, April, 29 2020	

## Industrial Energy Limited

Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

### **Note 1 Corporate Information:**

Industrial Energy Limited (IEL) was incorporated on 7th February, 2007 and has its registered office at Corporate Centre, 34, Sant Tukaram Road, Carnac Bunder, Mumbai (Maharashtra). IEL is a joint venture between The Tata Power Company Limited holding 74% of the equity share capital and Tata Steel Limited holding 26% equity share capital of the Company. IEL has been incorporated with the view to setting up power plants and are classified as captive power plants of Tata Steel Limited. These power plants supply power to Tata Steel Limited.

#### **1.1 Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with section 133 of the Companies Act, 2013 (as amended from time to time) and the provisions of the Electricity Act, 2003 to the extent applicable.

#### **1.2 Basis of preparation and presentation:**

The financial statements have been prepared on the historical cost basis except for:

- certain financial assets and liabilities that are measured at fair value at the end of the reporting period (refer accounting policy for financial instruments).

Accounting Policy are consistent with earlier years unless stated otherwise.

#### **1.3 Changes in accounting policies and disclosures**

##### **(a) Ind AS 116 - Leases**

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. The Company has adopted Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of April 1, 2019 using modified retrospective approach.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. As a lessee, the Company previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to the ownership of the underlying asset of the Company. Under Ind AS 116, the right-of-use assets are recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities are recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

##### **Transition to Ind AS 116:**

The application of Ind AS 116 does not have any impact on these Ind AS financial statements.

## Industrial Energy Limited

### Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

#### 1.4 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts 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.

The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax and deferred tax - Note 15 and Note 25
- Estimation of defined benefit obligations- Note 14 and Note 28

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Judgement to estimate the amount of provision required to or determine required disclosure related to litigations and claims against the Company- Note 27.2 and Note 27.3.

#### Note 2 Other Significant Accounting Policies:

##### 2.1 Foreign Currencies

The functional currency of the Company is Indian Rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

## Industrial Energy Limited

Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

### 2.2 Current versus non-current classification:

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in 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 liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### 2.3 Financial Instruments

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

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

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

### 2.4 Financial Assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

## Industrial Energy Limited

### Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

#### **2.4.1 Financial assets at amortised cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the profit or loss.

#### **2.4.2 Financial assets at fair value through other comprehensive income (FVTOCI)**

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

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

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity instruments which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to statement of profit and loss on sale of the investments.

#### **2.4.3 Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

#### **2.4.4 Derecognition of financial assets**

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

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

## Industrial Energy Limited

### Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### **Impairment of Financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

#### **2.5 Financial Liabilities**

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

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- a) Financial liabilities at fair value through profit or loss.
- b) Financial liabilities at amortised cost (loans and borrowings).

##### **2.5.1 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit or loss

##### **2.5.2 Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss.

##### **2.5.4 Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## Industrial Energy Limited

Notes to the financial statement for the year ended 31<sup>st</sup> March 2020

All amounts are in Rs. crores unless otherwise stated

### **2.6 Offsetting of financial instruments:**

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

### **2.7 Dividend distribution to equity shareholders of the Company**

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

**3. Property, Plant and Equipment****Accounting Policy**

Land held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost. Cost includes purchase price and any directly attributable cost of bringing the asset to its working condition for intended use. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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

The power purchase agreements - PPA entered into by the Company, provide for selling entire power generated from the respective plant to Tata Steel Limited (TSL) for a period of 25 years. Further such agreements provide for entire recovery of the capital costs of the plant during the PPA term. Considering the above, management concluded that the above arrangements are in the nature of finance lease. (Refer note 4)

Details	Free Hold Land	Building Plant	Building Others	Plant & Machinery	Transmission Lines	Furniture & Fixtures	Office Equipments	Total
<b>Carrying Amount of :</b>								
Cost as at April 01, 2019	5.85	-	-	-	-	-	-	5.85
Additions	-	19.07	-	160.37	-	0.29	0.11	179.84
Assets classified under finance lease as per Ind AS 116-"Leases"	-	(19.07)	-	(160.26)	-	(0.07)	(0.09)	(179.49)
Cost as at March 31,2020	5.85	-	-	0.11	-	0.22	0.02	6.20
<b>Carrying Amount of :</b>								
Cost as at April 01, 2018	5.85	-	-	-	-	-	-	5.85
Additions	-	-	-	3.28	-	-	0.00	3.28
Assets classified under finance lease as per Ind AS 116-"Leases"	-	-	-	(3.28)	-	-	(0.00)	(3.28)
Cost as at March 31,2019	5.85	-	-	-	-	-	-	5.85

**Notes:**

The title deeds of immovable properties included in property, plant and equipment are held in the name of the company except for immovable property aggregating to ₹ 19.07 crore acquired during the year for which registration of title deed is in progress.

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

### 4. Finance Lease Receivables (unsecured unless otherwise stated)

#### Accounting Policy

##### Leasing arrangement

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

##### The Company as lessor

Leases are classified as operating lease when the Company does not transfer substantially all the risks and rewards of ownership of an asset to the lessee. However the company doesn't give any asset on operating lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-Current</b>		
Non- Current Finance Lease Receivables	1,368.30	1,308.32
<b>Total</b>	<b>1,368.30</b>	<b>1,308.32</b>
<b>Current</b>		
Current Finance Lease Receivables	119.34	104.05
<b>Total</b>	<b>119.34</b>	<b>104.05</b>

#### 4.1 Leasing Arrangements

The Company has three power plants situated in Jamshedpur and Kalinganagar (KPO) which supply power to plants of Tata Steel Limited. The Company has an operational Boiler at KPO which augments the power generation of the existing plant. The arrangements in respect of all these assets are in nature of lease as per Ind-AS 116 "Leases". The Company has only single customer.

#### 4.2 Amount receivable under Finance Lease

Particulars	Minimum Lease Payments		Present value of minimum lease	
	As at 31-Mar-20	As at 31-Mar-19	As at 31-Mar-20	As at 31-Mar-19
Not later than one year	319.07	302.83	119.34	104.05
Later than one year and not later than five years	932.09	938.13	245.88	277.22
Later than five years	2,588.56	2,533.33	1,122.42	1,031.10
	3,839.72	3,774.29	1,487.64	1,412.37
Unearned finance income	2,352.08	2,361.92	-	-
Present value of minimum lease payments receivable	1,487.64	1,412.37	1,487.64	1,412.37
	1,487.64	1,412.37	1,487.64	1,412.37

Guaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at Rs. 102.45 cr. (as at 31st March 2019 : Rs. 94.19 cr.)

Unguaranteed residual values of assets leased under finance leases are not estimatable.

The interest rate inherent in the leases is fixed at the inception of contract for the entire lease term. The average effective interest rate contracted for these leases is approximately 13% - 17% per annum as at March 31, 2020 (as at 31st March 2019: 13% - 17% per annum)

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

**5. Other Financial Assets**

(Unsecured, Considered good)

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current</b>		
Bank Deposits ( earmarked against borrowings)	8.96	8.26
<b>Total</b>	<b>8.96</b>	<b>8.26</b>
<b>Current</b>		
Lease Income Accrued on Finance Lease Receivables	17.31	17.15
Other Receivables	5.73	-
<b>Total</b>	<b>23.04</b>	<b>17.15</b>

**6. Other Non current Assets**

(Unsecured, Considered good)

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current</b>		
Capital Advances	12.30	10.73
Balance with Govt. Authorities	32.08	-
Prepaid Expenses	0.25	-
<b>Total</b>	<b>44.63</b>	<b>10.73</b>
<b>Current</b>		
Balance with Govt. Authorities	5.31	-
Advance to Suppliers	0.71	0.51
Prepaid Expenses	0.38	0.15
Other Assets	-	0.10
<b>Total</b>	<b>6.40</b>	<b>0.76</b>

**7. Inventories**
Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale."

Particulars	As at 31-Mar-20	As at 31-Mar-19
Inventories (lower of cost and net realisable value)		
Fuel	3.27	4.19
Stores and Spare parts	21.59	21.81
<b>Total</b>	<b>24.86</b>	<b>26.00</b>

**8. Current Investments**

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No of units	Amount	No of units	Amount
Unquoted Investments in mutual fund (at Fair Value through Profit and Loss)				
(a) ICICI Prudential Overnight Fund Direct Plan Growth	5,00,248.268	5.40	-	-
(b) UTI Overnight Fund Direct Plan Growth	36,576.069	10.00	-	-
(c) HDFC Overnight Fund Direct Plan Growth	40,416.971	12.00	-	-
(d) ABSL Overnight Fund Direct Plan Growth	1,95,364.923	21.10	-	-
(e) Kotak Overnight Fund Direct Plan Growth	1,08,834.592	11.60	-	-
(f) Tata Liquid Fund Direct Plan Growth	-	-	1,80,448.269	53.13
<b>Total</b>		<b>60.10</b>		<b>53.13</b>

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

**9. Trade Receivables**

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Current</b>		
Trade Receivables		
Unsecured, Considered good	28.18	56.27
<b>Total</b>	<b>28.18</b>	<b>56.27</b>

**Notes**

(1) The average credit period for the company's receivable is 30 days.

(2) Company has only single customer i.e. Tata Steel Limited (TSL), Joint venture partner. The Company's entire receivable is from TSL for its plants situated at Jamshedpur and Kalinganagar and accordingly credit risk is minimal.

## (3) Ageing of receivables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Within credit period	24.52	48.20
1-30 days past due	0.30	0.08
31-60 days past due	0.32	0.10
61-90 days past due	0.33	0.10
More than 90 days past due	2.71	7.79
<b>Total</b>	<b>28.18</b>	<b>56.27</b>

**10. Cash and Cash Equivalents****Accounting Policy**

Cash and cash equivalents in the balance sheet comprise cash at banks, cash/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. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash/cheques on hand and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balances with Banks in Current Accounts	3.83	48.46
<b>Total</b>	<b>3.83</b>	<b>48.46</b>

**Reconciliation of liabilities from Financial Activities**

Particulars	As at 31-Mar-19	Cash flows		Non-cash Transactions	As at 31-Mar-20
		Proceeds	Repayment		
Non-current Borrowing (including Current Maturities of Non-current Borrowings)	649.85	142.00	(133.02)	-	658.83
Current Borrowing	27.60	-	-	-	27.60
<b>Total</b>	<b>677.45</b>	<b>142.00</b>	<b>(133.02)</b>	<b>-</b>	<b>686.43</b>

Particulars	As at 31-Mar-18	Cash flows		Non-cash Transactions	As at 31-Mar-19
		Proceeds	Repayment		
Non-current Borrowing (including Current Maturities of Non-current Borrowings)	646.28	381.22	(377.65)	-	649.85
Current Borrowing	46.22	-	(18.62)	-	27.60
<b>Total</b>	<b>692.50</b>	<b>381.22</b>	<b>(396.27)</b>	<b>-</b>	<b>677.45</b>

<b>Industrial Energy Limited</b>		
Notes to the Financial Statement for the Year ended March 31, 2020		
All amounts are in Rs. Crores unless otherwise stated		
<b>11 Equity Share Capital</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
Equity Share Capital	666.00	666.00
	<b>666.00</b>	<b>666.00</b>
<b>Authorised Share Capital</b>		
2000,000,000 fully paid equity shares of Rs. 10 each (as at March 31, 2019: 2000,000,000).	2,000.00	2,000.00
<b>Issued,Subscribed and Paid-up</b>		
666,000,000 fully paid equity shares of Rs. 10 each (as at March 31, 2019: 666,000,000).	666.00	666.00
<b>Total</b>	<b>666.00</b>	<b>666.00</b>
<b>11.1 Reconciliation of Issued, Subscribed and fully Paid-up number of equity shares and amount outstanding at the beginning and at the end of the reporting period.</b>		
<b>Particulars</b>	<b>Number of Shares in '000s</b>	<b>Share Capital in crore</b>
Balance as at April 1, 2018	6,66,000	666.00
Add: Issued during the year	-	-
<b>Balance as at March 31, 2019</b>	<b>6,66,000</b>	<b>666.00</b>
Balance as at April 1, 2019	6,66,000	666.00
Add: Issued during the year	-	-
<b>Balance as at March 31, 2020</b>	<b>6,66,000</b>	<b>666.00</b>
<b>11.2 Terms / rights attached to equity shares</b>		
(a) The Company has only one class of equity share having a par share value of Rs.10 per. Each equity shareholder is eligible for one vote per share held. Further each equity shareholder is entitled for dividend as and when the company declares and pays dividend after obtaining shareholders approval.		
(b) In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>11.3 Details of shareholders holding more than 5% shares in the Company</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
The Tata Power Company Ltd		
- Number of shares held in '000	4,92,840	4,92,840
- % holding of equity shares	74%	74%
Tata Steel Limited		
- Number of shares held in '000	1,73,160	1,73,160
- % holding of equity shares	26%	26%

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

### 12. Other Equity

Particulars	As at 31-Mar-20	As at 31-Mar-19
General Reserve	68.88	19.33
Retained Earnings	99.64	81.33
<b>Total</b>	<b>168.52</b>	<b>100.66</b>

#### 12.1 General Reserve

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the Year	19.33	19.33
Additions during the year	49.55	-
<b>Balance at the end of the Year</b>	<b>68.88</b>	<b>19.33</b>

#### 12.2 Retained Earnings

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	81.33	66.81
Profit for the year	148.52	111.13
Transfer to General Reserve	(49.55)	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(0.37)	(0.25)
<b>Total Comprehensive Income</b>	<b>98.60</b>	<b>110.88</b>
<b>Less: Appropriation of surplus</b>		
Payment of dividend on equity shares (including dividend distribution tax)	(80.29)	(96.35)
<b>Balance at the end of the year</b>	<b>99.64</b>	<b>81.33</b>

#### 12.3 Dividend

The shareholders of the Company in their meeting held on 10th June, 2019 approved final dividend of ₹1.00 per share aggregating ₹ 66.60 crore (excluding dividend distribution tax) for the financial year 2018-19. The said dividend was paid to the holders of fully paid equity shares on 13th June, 2019.

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

**13. Non-current Borrowings**

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured - at amortised cost		
Term Loans		
from banks	652.47	631.37
from others	6.36	18.48
	658.83	649.85
Less: Current maturities of long term loan (Refer note 18)	(83.30)	(127.85)
<b>Total non-current borrowings</b>	<b>575.53</b>	<b>522.00</b>

**13.1 Details of Security**

- (a) The term loan from State Bank of Patiala, Allahabad Bank, Jammu & Kashmir Bank, IDFC Bank Limited and Infrastructure Development Finance Corporation Limited as mentioned in serial no. 1 to 5 below are secured by first charge on all movable and immovable properties of the project at Jamshedpur, Jharkhand namely Unit 5 and Power House 6.
- (b) The term loan from HDFC Bank and Kotak Mahindra Bank as mentioned in sr. no. 6 to 7 below are secured by first charge on all movable assets (both tangible and intangible). Loan from Kotak Mahindra Bank is also secured by way of monies maintained by the Company in the Debt service reserve account (DSRA) and all current assets (both current and future) of the Kalinganagar Project, at Jajpur, Odisha. The term loan from HDFC Bank as mentioned in sr. no. 8 below are secured by first charge on all movable and immovable assets of DGPP, Kalinganagar Project, at Jajpur, Odisha, however the security has not been registered.

**13.2 Details of original terms of repayment of term loans are stated below:****As at March 31,2020**

Sr. No.	Particulars	Amount outstanding	Terms of repayment	Rate of Interest
1	State Bank of Patiala (now merged in State Bank of India)	5.60	Rs.2.80 Crore Per Quarter	9.15%
2	Allahabad Bank	5.60	Rs.2.80 Crore Per Quarter	9.15%
3	Jammu & Kashmir Bank	2.13	Rs.1.06 Crore Per Quarter	9.15%
4	IDFC Bank Limited	2.80	Rs.1.40 Crore Per Quarter	9.75%
5	IDFC Infrastructure Finance Limited	4.24	Rs.2.12 Crore Per Quarter	9.75%
6	HDFC Bank	384.94	Rs.10.17 Crore Per Quarter	8.40%
7	Kotak Mahindra Bank	111.52	Rs. 2.60 Crore Per Quarter	8.40%
8	HDFC Bank	142.00	Rs. 2.96 Crore Per Quarter	8.25%
	<b>Total Borrowing</b>	<b>658.83</b>		

**As at March 31,2019**

Sr. No.	Particulars	Amount outstanding	Terms of repayment	Rate of Interest
1	State Bank of Patiala (now merged in State Bank of India)	25.60	Rs.5.00 Crore Per Quarter	9.15%
2	Allahabad Bank	25.60	Rs.5.00 Crore Per Quarter	9.15%
3	Jammu & Kashmir Bank	9.73	Rs.1.90 Crore Per Quarter	9.15%
4	IDFC Bank Limited	12.80	Rs.2.50 Crore Per Quarter	9.15%
5	IDFC Infrastructure Finance Limited	18.48	Rs.5.00 Crore Per Quarter	9.15%
6	HDFC Bank	435.79	Rs. 10.34 Crore Per Quarter	8.95%
7	Kotak Mahindra Bank	121.85	Rs. 2.60 Crore Per Quarter	8.90%
	<b>Total Borrowing</b>	<b>649.85</b>		

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

**14. Provisions****Accounting Policy**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current</b>		
Compensated Absences	2.55	2.10
Gratuity	6.24	5.07
Post-Employment Medical Benefits	0.47	0.34
Other Defined Benefit Plans	0.63	0.67
Other Employee Benefits	0.45	0.90
<b>Total</b>	<b>10.34</b>	<b>9.08</b>
<b>Current</b>		
Compensated Absences	0.10	0.13
Gratuity	0.20	0.37
Other Defined Benefit Plans	0.06	0.01
Other Employee Benefits	0.00 *	0.07
<b>Total</b>	<b>0.36</b>	<b>0.58</b>

\* Amount is lesser than the rounding off norms followed by the Company

**15. Deferred tax balances**

Particulars	As at 31-Mar-20	As at 31-Mar-19
Deferred Tax Liabilities (net)	202.57	231.66
<b>Total</b>	<b>202.57</b>	<b>231.66</b>

**15.1 Deferred tax reconciliation****FY 2019-20**

Particulars	Opening Balance	Recognised in profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Liabilities in relation to Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	231.66	(29.09)	-	202.57
<b>Total</b>	<b>231.66</b>	<b>(29.09)</b>	<b>-</b>	<b>202.57</b>

**FY 2018-19**

Particulars	Opening Balance	Recognised in profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Liabilities in relation to Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	217.94	13.72	-	231.66
<b>Total</b>	<b>217.94</b>	<b>13.72</b>	<b>-</b>	<b>231.66</b>

<b>Industrial Energy Limited</b>		
Notes to the Financial Statement for the Year ended March 31, 2020		
All amounts are in Rs. Crores unless otherwise stated		
<b>16. Current Borrowings</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
Unsecured-at amortised cost Loans from related party	27.60	27.60
<b>Total</b>	<b>27.60</b>	<b>27.60</b>
16.1 Loan from related parties are repayable on demand and carries interest @ 10% p.a.		
<b>17. Trade Payables</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
(a) Total outstanding dues of micro and small enterprises (refer note 33)	0.02	0.15
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	20.88	16.10
<b>Total</b>	<b>20.90</b>	<b>16.25</b>
<b>18. Other Financial Liabilities</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
Current		
(a) Current Maturities of Long-term Loan (Refer note 13)	83.30	127.85
(b) Payables towards Purchase of Property, Plant and Equipments given on finance lease	133.64	24.02
(c) Interest Accrued but not due on Term loan	3.67	4.44
(d) Interest Accrued and due on Loan from Related Party	0.62	0.61
<b>Total</b>	<b>221.23</b>	<b>156.92</b>
<b>19. Other Current Liabilities</b>		
<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
Statutory Liabilities	6.15	7.43
Other Liabilities	1.37	0.02
<b>Total</b>	<b>7.52</b>	<b>7.45</b>

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

### 20. Revenue from Contracts with Customers

#### Accounting Policy

#### Revenue Recognition

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

#### Rendering of Services

Revenue from a contract to provide services is recognised at the contractual rates as defined in the contracts entered into with the customers.

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the leases.

#### Insurance and interest income

Insurance income is recognised on receipt basis.

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.

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
(a) Revenue from Operation Management Services	80.13	80.42
(b) Finance Lease Income	207.79	212.46
(c) Other Operating Revenue	13.37	7.52
<b>Total</b>	<b>301.29</b>	<b>300.40</b>

### 21. Other Income

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
(a) Insurance recovery	-	8.70
(b) Liquidated Damages and others	0.82	0.67
(c) Interest income on Bank Deposits	0.56	0.98
(d) Gain on Investments classified as fair value through profit or loss	3.69	4.79
<b>Total</b>	<b>5.07</b>	<b>15.14</b>

# Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

## 22. Employee Benefits Expense

### Accounting Policy

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefits plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
(a) Salary and Wages	15.77	13.56
(b) Contribution to provident funds	0.57	0.52
(c) Staff Welfare expenses	1.91	2.27
(d) Gratuity (refer note no 28)	0.55	0.72
<b>Total</b>	<b>18.80</b>	<b>17.07</b>

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

**23. Finance Costs**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
Interest expense		
Interest on bank loans	51.07	60.56
Interest on loan from related party	2.77	4.13
<b>Total</b>	<b>53.84</b>	<b>64.69</b>

**24. Other Expenses**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
(a) Consumption of Stores and spare parts	5.16	4.13
(b) Cost of Services	11.91	10.72
(c) Raw Water Consumed	10.34	10.76
(d) Repairs and Maintenance - Plant & Machinery	31.45	22.84
(e) Insurance	3.45	1.78
(f) Expenditure on Corporate Social Responsibility (Refer note no 32)	3.00	2.53
(g) Payments to Auditors (Refer note no 24.1)	0.28	0.26
(h) Fly Ash Disposal Expenses	3.03	2.82
(j) Miscellaneous Expenses	7.56	7.07
<b>Total</b>	<b>76.18</b>	<b>62.91</b>

**24.1 Auditor's Remuneration**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
As auditor		
Audit Fees	0.19	0.19
Tax audit fees	0.04	0.04
Other Services (Certification fees)	0.01	0.00*
Reimbursement of expenses	0.04	0.02
<b>Total</b>	<b>0.28</b>	<b>0.06</b>

\* Amount is lesser than the rounding off norms followed by the Company

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs. Crores unless otherwise stated

**25. Income taxes**Accounting PolicyCurrent tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or 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.

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 liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
<b>(1) Income taxes recognised in Statement of profit and loss</b>		
Current tax	27.04	37.24
Adjustment of tax relating to earlier periods	(1.77)	-
Deferred tax	(29.09)	13.73
<b>Income-tax recognised in statement of profit or loss</b>	<b>(3.82)</b>	<b>50.97</b>
(2) Income tax recognised in other comprehensive income	(0.08)	(0.08)
<b>Total income tax expense</b>	<b>(3.90)</b>	<b>50.89</b>

25.1 The reconciliation between the provision of Income-tax of the Company and amounts computed by applying the Indian statutory Income tax rate to profit before taxes is as follows:

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
Profit before tax	144.70	162.10
Applicable income tax rate	34.94%	34.94%
Income tax expense calculated at applicable rate	50.57	56.65
<b>Effect of:</b>		
Impact of deductions claimed under section 80IA of Income Tax Act, 1961 and other non-deductible expenses	(32.34)	(40.78)
Reversal of temporary differences during tax holiday period	26.86	5.94
Differential tax impact between MAT and normal tax	13.36	30.29
Adjustment of tax relating to earlier periods	(1.77)	-
Reversal of deferred tax liabilities on introduction of Tax ordinance (refer note below)	(49.66)	-
Difference in tax rate considered for deferred tax calculations and domestic income tax rate in India	(5.28)	-
Others	(5.56)	(1.13)
<b>Income tax expense recognised in statement of profit or loss</b>	<b>(3.82)</b>	<b>50.97</b>

The company continues to pay income tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 ("the ordinance") considering the accumulated MAT credit, losses and other benefits under the Income Tax Act, 1961. The company, based on its management approved projections, plans to opt for lower tax regime once these benefits are utilised in future. The company has estimated that it will change to lower tax rate as per the ordinance from financial year 2032-33 onwards. Accordingly, deferred tax liabilities on temporary differences which are expected to reverse after financial year 2031-32 have been recognised at lower tax rate and consequently the differential deferred tax liabilities amounting to INR 49.66 cr. have been reversed in the current financial year.

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

### 26. Basic & Diluted Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
(a) Profit after tax for the year attributable to equity holders of the Company	148.52	111.13
(b) Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Number of Shares)	666,000,000	666,000,000
(c) Basic & diluted earnings per share (in Rupees)	2.23	1.67
(d) Nominal value per share (in Rupees)	10.00	10.00

### 27.1 Commitments

Particulars	As at 31-Mar-20	As at 31-Mar-19
(a) Estimated amount of Contracts remaining to be executed (net of capital advance Rs. 2.72 crores; 31.03.2019: Rs. 9.96 crore) on capital account and not provided for	316.70	78.70
	<b>316.70</b>	<b>78.70</b>

### 27.2 Contingent Liabilities

(a) Particulars	As at 31-Mar-20	As at 31-Mar-19
Claims against the company not acknowledged as debts:		
(a) Excise duty matters under dispute	2.05	2.05
(b) Service tax matters under dispute	0.60	0.60
<b>Total</b>	<b>2.65</b>	<b>2.65</b>

(b) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the company has implemented the changes as per clarifications vide the Apex Court judgement dated 28 February 2019, with effect from 1st March 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The company will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

**28. Employee benefits****28. 1 Defined contribution plans**

The Company operates defined contribution retirement benefit plans for all qualifying employees. The employees of the Company are member of Employee Provident Fund, retirement benefit plan, operated by the Central Government. The Company is required to contribute a specified percentage of payroll costs to the Employee Provident Fund which is the only obligation of the Company with respect to the retirement benefit plan.

The total expense recognized in Profit & Loss Account is Rs.0.57 cr. (31st March, 2019: Rs. 0.52 cr.) represents contribution paid/payable to the Employee Provident Fund.

**28. 2 Defined benefit plans**

The company does not have any funded plans.

**Post-Employment Medical Benefits**

The Company provides certain post-employment health care benefits to superannuated employees. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

**Pension (including Director pension)**

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Company from time to time.

**Ex-Gratia Death Benefit**

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

**Retirement Gift**

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

**Gratuity plan**

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement, withdrawal, resignation, death of an employee.

These plans typically expose the Company to actuarial risk such as: Demographic risk, interest rate risk, and Salary Inflation risk.

**Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

**Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

**Salary Inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation.

In respect of the defined benefit plans, the determination of the present value of defined benefit obligations was carried out at 31st March, 2019 by Wills Towses Watson, the actuaries.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Discount rate	6.50%	7.40%
Expected rate of salary increase	7.00%	7.00%
Expected rate of withdrawal		
>if age of employee is between 21 to 44 years	6.00%	2.50%
>if age of employee is more than 44 years	2.00%	1.00%
Expected rate of Medical Inflation / Gold inflation	8.00%	8.00%

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
Current Service Cost	0.82	0.75
Past Service Cost and (gain)/loss from settlements	0.09	-
Net interest cost on net defined benefit obligations	0.69	0.59
Immediate recognition of (gains)/losses - other long term employee benefit plans	(0.36)	0.20
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>1.24</b>	<b>1.54</b>

Re-measurement on the net defined benefit liability :

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
Actuarial (Gains)/losses arising from defined benefit obligation experience	0.45	0.33
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>0.45</b>	<b>0.33</b>

<b>Industrial Energy Limited</b>		
Notes to the Financial Statement for the Year ended March 31, 2020		
All amounts are in Rs crores unless otherwise stated		
<b>28. Employee benefits - Continued</b>		
The current service cost and the net interest expense for the year are included in the "Employee benefits expense" line item in the statement of profit and		
The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:		
<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Present value of funded defined benefit obligation	10.70	9.66
Fair value of plan assets	-	-
<b>Funded status</b>	<b>10.70</b>	<b>9.66</b>
Restriction on asset recognised	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>10.70</b>	<b>9.66</b>
Movements in the present value of the defined benefit obligations are as follows:		
<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Opening defined benefit obligations	9.66	8.11
Current service Cost	0.82	0.75
Past Service Cost	0.09	-
Interest Cost	0.69	0.59
Actuarial (Gains)/losses arising from experience	0.09	0.52
Benefits paid directly by the Company	(0.18)	(0.79)
Acquisitions credit/(cost)	(0.47)	0.48
Liabilities assumed	-	-
<b>Closing defined benefit obligation</b>	<b>10.70</b>	<b>9.66</b>
Sensitivity Analysis		
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:		
<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Effect on defined benefit obligation due to change in discount rate by		
0.50% Increased	(0.57)	(0.54)
0.50% Decreased	0.63	0.60
Effect on defined benefit obligation due to change in Expected rate of salary by		
0.50% Increased	0.51	0.48
0.50% Decreased	(0.47)	(0.45)
Effect on defined benefit obligation due to change in Expected rate of withdrawal by		
5% Increased	(1.45)	(1.30)
Effect on defined benefit obligation due to change in Expected rate of Medical Inflation by		
0.50% Increased	0.07	0.07
0.50% Decreased	(0.06)	(0.06)
Maturity profile of defined benefit obligation:		
<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Within 1 year	0.38	0.25
1-2 year	0.85	0.36
2-3 year	0.45	0.69
3-4 year	0.99	0.33
4-5 year	1.20	1.02
5-10 year	7.16	4.74

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

**29. Disclosure as required by Indian Accounting Standard (IndAS) 24 “Related Party Disclosures” are as follows:**

## (a) Names of the related parties

Sr. No.	Name of the related party	Nature of relationship	Country of origin
(i)	The Tata Power Company Limited	Joint Venture Partner	India
(ii)	Tata Steel Limited	Joint Venture Partner	India
(iii)	Tata Projects Limited	Associate of Joint Venture	India
(iv)	Mr. Vijayant Ranjan	Chief Executive Officer	India
(v)	Mr. Aditya Mishra	Chief Financial Officer	India
(vi)	Mr. Ashok S. Sethi (up to 30.04.2019)	Director	India
(vii)	Mr. Purushottam Thakur (up to 31.01.2020)	Director	India
(viii)	Mr. Vijay V. Namjoshi (w.e.f 01.02.2020)	Director	India
(ix)	Mr. Ranganath Raghupathy Rao (up to 09.07.2019)	Director	India
(x)	Mr. Avneesh Gupta	Director	India
(xi)	Mr. Anand Agarwal	Director	India
(xii)	Ms. Anjali Kulkarni	Director	India
(xiii)	Mr. Sanjib Nanda	Director	India
(xiv)	Mr. Anil Kumar Jain	Director	India

## (b) Related party transactions and outstanding balances

## (i) Trading and other transactions

## Details of transactions

Nature of transaction	The Tata Power Company Limited	Tata Steel Limited	Tata Projects Limited
Revenue from Operation Management Services	-	80.13	-
	(-)	(80.42)	(-)
Finance lease income	-	207.79	-
	(-)	(212.46)	(-)
Other Operating revenues	-	13.15	-
	(-)	(6.12)	(-)
Cost of services (CSA Expenses)	11.82	-	-
	(10.67)	(-)	(-)
Payment for Raw water purchased	5.27	5.07	-
	(5.56)	(5.12)	(-)
Purchase of Fixed Assets	3.60	232.35	0.28
	(-)	(-)	(1.07)
Dividend paid	49.28	17.32	-
	(59.14)	(20.78)	(-)

Note: Previous year's figures are in brackets.

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

**29.1. Disclosure as required by Indian Accounting Standard (IndAS) 24 "Related Party Disclosures" are as follows: - Continued**

## (ii) Loan from related party

## Details of transactions

Nature of transaction	The Tata Power Company Limited	Tata Steel Limited	Tata Projects Limited
Repayment of loan to related party	-	-	-
	(-)	(18.62)	(-)
Interest on loan from related party	-	2.77	-
	(-)	(4.13)	(-)

## (iii) Compensation of key management personnel

Nature of transaction	Key Management personnel
Compensation paid / payable	1.48
	(1.46)
Sitting fees paid to Directors	0.02
	(0.02)

The above post-employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

## (iv) Balances payable to Related Parties are as follows:

Name of the related party	Nature of Balances	As at 31-Mar-20	As at 31-Mar-19
The Tata Power Company Limited	Trade Payables	2.06	2.46
The Tata Power Company Limited	Creditors for PMSA	4.37	0.92
Tata Steel Limited	Trade Payables	0.41	0.40
Tata Projects Ltd	Payables for purchase of Fixed Assets	9.61	19.58
Tata Steel Limited	Payables for purchase of Fixed Assets	75.55	-
Tata Steel Limited	Loan balance	27.60	27.60
Tata Steel Limited	Interest Accrued and due on Loan	0.62	0.61

## (v) Balances Receivable From Related Parties are as follows:

Name of the related party	Nature of Balances	As at 31-Mar-20	As at 31-Mar-19
Tata Steel Ltd	Trade Receivables	28.18	56.27
Tata Steel Ltd	Lease Income Accrued on Finance Lease Receivable	17.31	17.15
Tata Steel Ltd	Lease receivable	1,487.64	1,412.37

Note: Previous year's figures are in brackets.

**Industrial Energy Limited**

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

**30. Financial Instruments****30.1 Capital Management**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

**30.2 Financial risk management**

In its ordinary operations, the Company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers the other risks associated with the financial assets and liabilities such as interest rate risks, credit risks and liquidity risk. The risk management policy is approved by the board of directors. The following is the summary of the main risks:

**30.2.1 Market Risk**

Market risk is the risk that relates to changes in market prices, such as interest rates (interest rate risk) and will affect the company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**30.2.2 Interest rate risk management**

Interest rate risk is the risk that relates to the fair value or future cash flows of a financial instrument which fluctuate because of changes in market interest rates. The capital expenditure of the company is financed by loans, the shareholders' fund and internal proceeds. The interest bearing loans of the Company comprises of both fixed and floating rate.

Interest rate sensitivity:

Particulars	As at March 31, 2020		As at March 31, 2019	
	50 bps increase in Bank Base rates	50 bps decrease in Bank Base rates	50 bps increase in Bank Base rates	50 bps decrease in Bank Base rates
Interest (cost) / saving on Indian Rupees loan	(2.95)	2.95	(3.43)	3.43
(Loss) / Gain effect on profit before tax	(2.95)	2.95	(3.43)	3.43

**30.2.3 Credit risk management**

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Finance lease receivables	1,487.64	1,412.37
Trade receivables	28.18	56.27
Other financial assets	23.04	17.15
<b>Total</b>	<b>1,538.86</b>	<b>1,485.79</b>

Finance lease receivables, trade receivable and unbilled receivables

The only customer for the company is Tata Steel Limited, Joint venture partner and revenue is based on the terms agreed in Power Purchase Agreement or the other agreements. Also since the customer is a group company and going through the past track of the company, the Company's exposure to credit risk is minimal.

**30.2.4 Price risk management**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net assets value (NAV) of the financial instruments held.

The Company manages the surplus funds majorly through investments in mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such investments.

The carrying amount of the Company's investments designated at fair value through profit or loss at the year end are as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Investments in mutual fund	60.10	53.13

**30.2.5 Liquidity risk management**

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Particulars	Upto 1 year	1 - 5 year	5+ years	Total	Carrying Amount
<b>As at March 31, 2020</b>					
Borrowings ((including Current Maturities and Interest Accrued on Term Loan)	138.73	404.82	399.93	943.48	662.50
Trade Payables	20.90	-	-	20.90	20.90
Other financial liabilities	134.26	-	-	134.26	134.26
<b>As at March 31, 2019</b>					
Borrowings ((including Current Maturities and Interest Accrued on Term Loan)	181.70	386.04	337.78	905.52	653.97
Trade Payables	16.25	-	-	16.25	16.25
Other financial liabilities	24.64	-	-	24.64	24.64

\* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments

The company has entered into a PPA / Tolling Agreement with Tata Steel Limited ( TSL) for supplying the entire electricity generated from the coal/gas supplied by TSL. The company will be able to meet its short term liabilities from its own internal accruals.

In addition to the above, the company has also an outstanding balance of Inter-Corporate Deposit of Rs. 27.60 crore from Tata Steel Limited which is repayable on demand.

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

### 30. Financial Instruments - continued

#### 30.2.6. Financial Instruments.

The carrying value and fair value of financial instruments by categories as of 31 March, 2020 and 31st March, 2019 is as follows:

##### a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as of 31 March, 2020 is as follows:

Particulars	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Assets :</b>				
Cash and Cash Equivalents	-	3.83	3.83	3.83
Finance lease receivables	-	1,487.64	1,487.64	1,487.64
Trade Receivables	-	28.18	28.18	28.18
Investments	60.10	-	60.10	60.10
Other Financial Assets	-	32.00	32.00	32.00
<b>Total</b>	<b>60.10</b>	<b>1,551.65</b>	<b>1,611.75</b>	<b>1,611.75</b>
<b>Liabilities</b>				
Trade Payables	-	20.90	20.90	20.90
Borrowings	-	686.43	686.43	686.43
Other Financial Liabilities	-	137.93	137.93	137.93
<b>Total</b>	<b>-</b>	<b>845.26</b>	<b>845.26</b>	<b>845.26</b>

The carrying value of financial instruments by categories as of 31 March, 2019 is as follows:

Particulars	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Assets :</b>				
Cash and Cash Equivalents	-	48.46	48.46	48.46
Finance lease receivables	-	1,412.37	1,412.37	1,412.37
Trade Receivables	-	56.27	56.27	56.27
Investments	53.13	-	53.13	53.13
Other Financial Assets	-	25.41	25.41	25.41
<b>Total</b>	<b>53.13</b>	<b>1,542.51</b>	<b>1,595.64</b>	<b>1,595.64</b>
<b>Liabilities</b>				
Trade Payables	-	16.25	16.25	16.25
Borrowings	-	677.45	677.45	677.45
Other Financial Liabilities	-	29.07	29.07	29.07
<b>Total</b>	<b>-</b>	<b>722.77</b>	<b>722.77</b>	<b>722.77</b>

##### b) Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a 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.

As at 31-Mar-20	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	60.10	-	-	60.10
<b>Total</b>	<b>60.10</b>	<b>-</b>	<b>-</b>	<b>60.10</b>
As at 31-Mar-19	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	53.13	-	-	53.13
<b>Total</b>	<b>53.13</b>	<b>-</b>	<b>-</b>	<b>53.13</b>

## Industrial Energy Limited

Notes to the Financial Statement for the Year ended March 31, 2020

All amounts are in Rs crores unless otherwise stated

### 31. Segment Reporting

The Company is engaged in the integrated business of construction, operation and long term leasing of power plants to Tata Steel Limited ( Joint Venture Partner). Consequently there are no separate reportable segments as per the requirement of Ind AS 108 " Operating Segments".

### 32. Corporate Social Responsibility disclosure

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provision of Section 135 of the Companies Act, 2013 amount to Rs. 3 crores (Previous year Rs. 2.51 crores).

Amount spent during the year Rs. 3 crores (Previous year Rs. 2.53 crores) on CSR Activities (included in Note 24 of Statement of Profit & Loss) as under:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Other Expenses (for healthcare, education, women empowerment, skill development etc.)	3.00	2.53
<b>Total</b>	<b>3.00</b>	<b>2.53</b>

### 33. MSME Disclosure

Particulars	As at March 2020	As at March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
i) Principal amount due to micro and small enterprise	0.02	0.15
ii) Interest due on above	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
iv) 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 year) but without adding the interest specified under the MSMED Act, 2006	NIL	NIL
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
vi) The amount of further interest remaining due and payable even in the succeeding years, 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 of the MSMED Act, 2006	NIL	NIL

The above particulars, as applicable, have been given in respect of MSMEs to the extent they could be identified on the basis of information available with the Company

### 34. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period.

**35.** The Company has received two notices for hearing under “Jharkhand VAT Act 2005” from Government of Jharkhand, Commercial Tax Department, Jamshedpur:

1. Production of Books of Accounts for re-assessment from the FY 2006-07 to FY 2011-12(till 14-7-11).
2. Show cause notice for Non Registration under Jharkhand Entry Tax from the FY 2011-12 (from 15-7-11) to FY 2017-18 (till 30-06-17).

The Company has replied regarding the show cause notice for non-registration as well as production of books of accounts for the matter of re-assessment. Pending receipt of any further clarification/ demand from the department, the Company management believes that no liability would devolve on the Company as in the event, any payments are required to be made pursuant to these reassessments, the same would be passed on to the customer as per the signed agreements.

**36. Impact of COVID-19:**

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Considering that the entity is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic including the utilization of installed capacity. However, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

**37.** Previous year's figures are regrouped/rearranged, where necessary, to conform to the current year's presentation.

**38. Approval of financial statement:**

The Financial Statements were approved for issue by the Board of Director's on April 29, 2020

As per our report of even date

For and on behalf of the Board of Directors

For S.R.BATLIBOI & CO LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants

Vijay V. Namjoshi  
Director  
Mumbai

Avneesh Gupta  
Director  
Jamshedpur

per Kamal Agarwal  
Partner  
Membership no : 058652

Vijayant Ranjan  
Chief Executive Officer  
Jamshedpur

Aditya Kumar Mishra  
Chief Financial Officer  
Bhubaneswar

Kalika Dabholkar  
Secretary

Kolkata, April,29 2020

Mumbai, April,29 2020