

FACOR POWER LIMITED
CIN U40101DL2006PLC130923
BALANCE SHEET FOR THE PERIOD ENDED MARCH 31, 2021


Particulars	Note No	Amount (₹ In Crore)	
		Figures as at March 31, 2021	Figures as at March 31, 2020
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3(a)	459.58	476.22
(b) Right of use of Assets	3(b)	1.24	1.09
(c) Capital Work-in-progress	4	95.01	95.01
(d) Financial assets			
(i) Investment	5	0.00	0.00
(ii) Other non current financial assets	6	1.92	1.75
(e) Other Non-current Assets	7	0.13	0.18
		557.88	574.26
(2) Current Assets			
(a) Inventories	8	8.12	6.54
(b) Financial assets			
(i) Trade receivable	9	17.98	12.05
(ii) Cash and cash equivalent	10	7.93	1.91
(iii) Bank balances other than (ii) above	11	24.94	30.66
(iv) Other current financial assets	12	0.99	1.13
(c) Current tax assets (net)	13	0.40	0.42
(d) Other current assets	14	13.82	9.18
		74.08	61.88
		631.96	636.14
TOTAL			
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	230.06	230.06
(b) Other equity	16	401.90	406.08
		631.96	636.14
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
Borrowings	17	1241.09	11.00
(b) Provisions	18	11.72	9.87
		1252.81	20.87
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	5.89	1133.30
(ii) Trade payables -			
(i) (a) Due to Micro & Small Enterprises	20		
(ii) (b) Other than Micro & Small Enterprises	20	2.11	3.23
(iii) Other financial liabilities	21	16.73	16.41
(b) Other current liabilities	22	18.40	14.05
(c) Provisions	23	0.04	0.07
		44.16	1167.06
		631.96	636.14
TOTAL			

Significant Accounting Policies

1 & 2

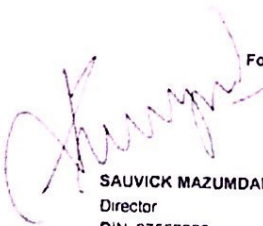
Accompanying notes to the financial statements are integral part of the financial statements

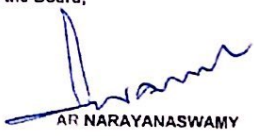
As per our report of even date attached,
For SBN & ASSOCIATES
Chartered Accountants
Firm Registration No. 323579E



BIMAL KUMAR BHOOT
Partner
Membership No. 057858


Place BHADRAK
Date 19/04/2021

For and on behalf of the Board,


SAUVICK MAZUMDAR
Director
DIN: 07558996


AR NARAYANASWAMY
Director
DIN: 00818169


ANAND PRAKASH DUBEY
Chief Financial Officer


SAMBIT KUMAR SARANGI
Company Secretary

FACOR POWER LIMITED
CIN: U40101DL2005PLC139923
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021

Particulars	Note No	Amount (₹ in Crore)	
		Figures as at March 31, 2021	For the Year 2019-20
I Revenue from operations	24	122.23	123.40
II Other income	25	2.71	1.49
III Total income (I+II)		124.93	124.88
IV Expenses			
Cost of materials consumed	26	85.09	96.68
Employee benefits expenses	27	6.19	5.90
Finance costs	28	117.64	162.11
Depreciation and amortization expenses	3	16.93	16.97
Other expenses	29	12.30	13.77
Total expenses		238.16	295.44
V Profit/(loss) before tax (III-IV)		(113.22)	(170.55)
VI Tax expense:			
(1) Current tax		-	-
(2) Deferred Tax		-	-
VII Profit (Loss) for the period (V-VI)		(113.22)	(170.55)
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of post employment benefit obligations		(0.00)	(0.04)
(b) Income tax relating to items that will not reclassified to profit or loss		-	-
Total other comprehensive income for the year (net of taxes)		(0.00)	(0.04)
IX Total Comprehensive Income (VII+VIII)		(113.22)	(170.59)
X Earning per equity share of ₹10/- each			
(1) Basic		(4.92)	(7.42)
(2) Diluted		(4.92)	(7.42)

Significant accounting policies

1 & 2

Accompanying notes to the financial statements are integral part of the financial statements

As per our report of even date attached


For SBN & ASSOCIATES

Chartered Accountants

Firm Registration No 323579E


For and on behalf of the Board,



BIMAL KUMAR BHOOT
 Partner
 Membership No 057858


SAUVICK MAZUMDAR
 Director
 DIN: 07558996


AR NARAYANASWAMY
 Director
 DIN: 00818169

Place : BHADRAK
 Date: 19/04/2021


ANAND PRKASH DUBEY
 Chief Financial Officer


SAMBIT KUMAR SARANGI
 Company Secretary

FACOR POWER LIMITED
CIN: U40101DL2005PLC139923
STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH, 2021

Particulars	Amount (₹ in Crore)	
	Figures as at March 31, 2021	Figures for the Period 2019-20
(A) Cash flow from Operating activities :		
Profit before tax	(113.22)	(170.55)
Adjustment for:-		
Depreciation	16.93	16.57
Loss on sale of fixed assets/written off	0.00	
Finance cost	117.54	162.11
Finance income	(1.45)	(1.49)
Operating profit before working capital changes	19.89	7.04
Adjustment for		
(Increase)/decrease in inventory	(1.59)	10.54
(Increase)/decrease in trade receivables	(5.24)	(4.96)
(Increase)/decrease in other current financial assets	0.13	0.47
(Increase)/(decrease) in current tax assets (net)	0.02	(0.04)
(Increase)/decrease in other current assets	(4.84)	(1.24)
(Increase)/(decrease) in sundry creditors	(1.12)	(3.07)
(Increase)/(decrease) in other financial liabilities	0.32	0.07
(Increase)/(decrease) in other current liabilities	4.36	4.07
(Increase)/(decrease) in provisions	1.62	1.73
Cash generated from operation	(6.53)	7.59
Tax paid		
Loss on sale of fixed assets/written off		
Net cash flow/(used) from operating activities (A)	13.36	14.63
(B) Cash flow from Investing activities :		
Purchase of fixed assets including CWIP	(0.48)	(0.02)
Adjustment due to Ind AS 116	0.01	
(Increase)/decrease in bank deposits	5.72	(8.14)
(Increase)/decrease in investment		
(Increase)/decrease in other non-current financial assets	(0.17)	(0.31)
(Increase)/decrease in other non-current assets	0.08	0.03
Interest received	1.46	1.49
Net cash used in investing activities (B)	6.63	(6.65)
(C) Cash flow from financing activities :		
Proceeds from issuance of shares		
Increase/(decrease) in borrowings	(13.35)	155.25
Interest	(0.62)	(161.48)
Net cash flow from financing activities (C)	(13.97)	(6.23)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	6.02	1.74
Cash and cash equivalents at the beginning of the period	1.91	0.17
Cash and cash equivalent at the end of the period	7.93	1.91

Note:

Reconciliation of liabilities from financing activities

Particulars	As at March 31, 2020	Proceeds	Repayments	Fair value changes	As at March 31, 2021
Long-term borrowings (including current portion)	11.00	1,230.09			1,241.09
Short-term borrowings	523.08		518.08		5.00
Total	534.08	1,230.09	518.08		

Notes to the statement of cash flows:

- (i) The above cash flow statement has been prepared as per IND-AS - 7
(ii) The figures in the brackets represent outflows.


Accompanying notes to the financial statements are integral part of the financial statements


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For SBN & ASSOCIATES
Chartered Accountants
Firm Registration No. 323579E


BIMAL KUMAR BHOOT
Partner
Membership No. 057858


Place: BHADRAK
Date: 19/04/2021

For and on behalf of the Board,


SAUVICK MAZUMDAR
Director
DIN: 01528399


ANAND PRAKASH DUBEY
Chief Financial Officer


AR NARAYANASWAMY
Director
DIN: 00818167


SAMBIT KUMAR SARANGI
Company Secretary

FACOR POWER LIMITED
CIN: U40101DL2005PLC139923
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2021

A Equity Share Capital

		Amount (₹ in Crore)
Balance as at 1st April 2020	Changes during the year	Balance as at 31st March 2021
230.06	Nil	230.06
Balance as at 1st April 2019	Changes during the year	Balance as at 31st March 2020
230.06	Nil	230.06

B Other Equity (refer note no.16)

Particulars	Retained Earnings	Total
Balance as at 1st April 2020	(781.85)	(781.85)
employment benefits obligations net of tax	(0.00)	(0.00)
accounting for lease asset as per Ind AS 116	(0.01)	(0.01)
Net profit/(loss) for the current financial year after tax	(113.22)	(113.22)
Balance as at 31st March 2021	(895.08)	(895.08)

Particulars	Retained Earnings	Total
Balance as at 1st April 2019	(611.26)	(611.26)
Remeasurement of post employment benefits obligations	(0.04)	(0.04)
Net profit/(loss) for the current financial year after tax	(170.55)	(170.55)
Balance as at 31st March 2020	(781.85)	(781.85)

Significant accounting policies

1 & 2

Accompanying notes to the financial statements are integral part of the financial statements

As per our report of even date attached,

For SBN & ASSOCIATES

Chartered Accountants

Firm Registration No. 323579E

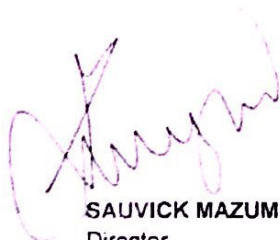


BIMAL KUMAR BHOOT

Partner

Membership No. 057858

For and on behalf of the Board,



SAUVICK MAZUMDAR

Director

DIN: 07558996



AR NARAYANASWAMY

Director

DIN: 00818169

Place: Bhadrak
Date: 19/04/2021



ANAND PRKASH DUBEY

Chief Financial Officer



SAMBIT KUMAR SARANGI

Company Secretary

NOTE NO. 3 (a) : PROPERTY, PLANT AND EQUIPMENT

Figures as at Mar. 31, 2021
Amount (₹ in Crore)

PARTICULARS	GROSS CARRYING VALUE			DEPRECIATION			NET CARRYING VALUE		
	Figures as at April 01, 2020	Additions during the Year	Disposals/ Adjustments during the Year	Figures as at March 31, 2021	Figures as at April 01, 2020	For the period ended 31.03.21	Adjustment through opening Retained Earnings	Figures as at Mar. 31, 2021	Figures as at March 31, 2020
Land Freehold	6.69	0.27	-	6.96	-	-	-	6.96	6.69
Factory Building	88.97	-	-	88.97	22.80	2.81	-	63.36	66.17
Other Building	0.70	-	-	0.70	0.15	0.02	-	0.53	0.55
Roads	6.21	-	-	6.21	3.60	0.60	-	2.01	2.61
Plant & Machinery	489.61	-	0.01	489.60	106.14	11.59	0.01	371.88	383.47
Railway Siding	26.91	-	-	26.91	11.07	1.64	-	14.21	15.85
Lab Equipment	0.11	0.00	-	0.11	0.08	0.01	-	0.10	0.03
Electrical Installation	0.66	-	-	0.66	0.33	0.06	-	0.27	0.33
Office Equipment	0.25	0.01	0.06	0.20	0.21	0.02	0.06	0.03	0.04
Computers	0.40	0.00	-	0.40	0.37	0.01	-	0.02	0.03
Furniture & Fixture	0.48	0.00	0.10	0.38	0.35	0.03	0.09	0.09	0.13
Vehicle	1.41	-	-	1.41	1.09	0.12	-	0.20	0.32
Total	622.40	0.29	0.18	622.52	146.19	16.91	0.16	459.58	476.22

Acquisition through business combination is not applicable as no such transaction occurred during the year and in the corresponding previous financial year. Also there was no impairment/revaluation of assets during the last 5 years. The asset value of Leasehold Land along with corresponding accumulated depreciation upto 31st Mar20 are separately shown under Right of use Assets and provior depreciation - ROU, respectively and shown separately, as per applicable Ind AS 116.

NOTE NO. 3 (b) : Right of use Assets - (Also refer Note No.47)

Figures as at Mar. 31, 2021
Amount (₹ in Crore)

PARTICULARS	GROSS CARRYING VALUE			DEPRECIATION			NET CARRYING VALUE		
	Figures as at April 01, 2020	Additions during the Year due to Ind AS 116	Disposals/ Adjustments during the Year	Figures as at March 31, 2021	Figures as at April 01, 2020	For the period ended 31.03.21	Adjustment through opening Retained Earnings	Figures as at Mar. 31, 2021	Figures as at March 31, 2020
Right of use assets	1.18	0.19	-	1.37	0.10	0.01	0.02	1.24	1.09
Total	1.18	0.19	-	1.37	0.10	0.01	0.02	1.24	1.09

Figures as at Mar. 31, 2020
Amount (₹ in Crore)

PARTICULARS	GROSS CARRYING VALUE			DEPRECIATION			NET CARRYING VALUE		
	Figures as at April 01, 2019	Additions during the Year	Disposals/ Adjustments during the Year	Figures as at March 31, 2020	Figures as at April 01, 2019	For the Year	Adjustment through opening Retained Earnings	Figures as at March 31, 2020	Figures as at March 31, 2019
Land Freehold	6.69	-	-	6.69	-	-	-	6.69	6.69
Land Leasehold	1.18	-	-	1.18	0.08	0.01	-	1.09	1.10
Factory Building	88.97	-	-	88.97	19.99	2.81	-	66.17	68.98
Other Building	0.70	-	-	0.70	0.13	0.02	-	0.55	0.57
Roads	6.21	-	-	6.21	3.00	0.60	-	2.61	3.21
Plant & Machinery	489.61	-	-	489.61	94.55	11.59	-	383.47	395.06
Railway Siding	26.91	-	-	26.91	9.43	1.64	-	15.85	17.49
Lab Equipment	0.11	-	-	0.11	0.07	0.01	-	0.03	0.04
Electrical Installation	0.66	-	-	0.66	0.27	0.06	-	0.33	0.39
Office Equipment	0.25	0.00	-	0.25	0.18	0.03	-	0.04	0.07
Computers	0.39	0.01	-	0.40	0.35	0.01	-	0.03	0.04
Furniture & Fixture	0.47	0.01	-	0.48	0.31	0.04	-	0.13	0.16
Vehicle	1.41	-	-	1.41	0.95	0.14	-	0.32	0.46
Total	623.57	0.02	-	623.59	129.31	16.97	-	477.30	494.26

Acquisition through business combination is not applicable as no such transaction occurred during the year and in the corresponding previous financial year. Also there was no impairment/revaluation of assets during the last 5 years.

FACOR POWER LIMITED

Notes to the financial statement

NOTE NO. 4 : CAPITAL WORK IN PROGRESS

Particulars	Amount (₹ in Crore)		
	Figures as at March 31, 2021	During the Year	Figures as at March 31, 2020 (net of amount capitalized)
A. Assets under construction (Boiler no. 3)	56.97	-	56.97
Total (A)	56.97	-	56.97
B. Expenditure pending allocation;			
Employee cost:			
- Salary and other cost	3.21	-	3.21
- Contribution to provident and other funds	0.37	-	0.37
Rent	0.07	-	0.07
Travelling & conveyance expenses	0.21	-	0.21
Technical consultancy charges	0.88	-	0.88
Legal and professional expenses	0.09	-	0.09
Business promotion expenses	0.01	-	0.01
Communication expenses	0.04	-	0.04
Staff recruitment & development expenses	0.06	-	0.06
Advertisement expenses	0.00	-	0.00
Fee and taxes	0.34	-	0.34
Repair & maintenance -office	0.27	-	0.27
Repair & maintenance-plant & machinery	0.06	-	0.06
Vehicle running & maintenance expenses	0.03	-	0.03
Auditor's remuneration	0.00	-	0.00
Miscellaneous expenses	(0.02)	-	(0.02)
Fringe benefit tax	0.00	-	0.00
Interest & other financial charges	30.36	-	30.36
Bank charges and commission	0.04	-	0.04
Power & fuel expenses for construction	1.23	-	1.23
Depreciation	0.04	-	0.04
Freight & cartage expenses	0.01	-	0.01
Difference in foreign exchange	0.00	-	0.00
Stores & spares	0.11	-	0.11
Commission and brokerage	0.08	-	0.08
Dewatering charges	0.04	-	0.04
Temporary construction	0.00	-	0.00
Corporate social responsibility	0.08	-	0.08
Insurance	0.21	-	0.21
Net expenses during trial run	0.50	-	0.50
Electricity duty on auxiliary consumption	0.09	-	0.09
	38.42	-	38.42
Add: Construction material at site	0.04	-	0.04
Less: Interest income on deposits and others	0.43	-	0.43
Total (B)	38.04	-	38.04
Total (A+B)	95.01	-	95.01
Net Balance of CWIP	95.01		95.01

FACOR POWER LIMITED

Notes to the Financial Statement

Particulars	Amount (₹ in Crore)	
	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 5 : INVESTMENT		
a) Un-quoted non-trade investment		
Investment in government securities (measured at amortized cost)	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Aggregate book value of the unquoted investment	0.00	0.00
Aggregate provision for diminution in the value of investment	Nil	Nil
<p>The above investment of ₹ 0.004 Crores (Previous year ₹ 0.004 Crores) has been made in National Saving Certificates, valued at cost, and the same have been pledged with the mining office, Baripada & Talcher, Orissa.</p> <p>Also refer note no.39</p>		
NOTE NO. 6 : Other Non-current Financial Assets		
Unsecured, considered good:		
i) Security deposits	1.91	1.74
ii) Bank deposits (held as margin money/security deposit and having maturity period more than 12 months)	0.01	0.01
	<u>1.92</u>	<u>1.75</u>
<p>Also refer note no.39</p>		
NOTE NO. 7 : OTHER NON-CURRENT ASSETS		
Unsecured, Considered good ;		
i) Capital Advances	0.03	0.03
ii) Advances other than capital advances		
a) Prepaid expenses	0.10	0.16
b) Other advances	-	-
	<u>0.13</u>	<u>0.19</u>
NOTE NO. 8 : INVENTORIES*		
a) Raw material:		
i) Coal at site	4.12	3.28
ii) Coal in transit	-	-
b) Consumables:		
i) Chemicals	0.11	0.06
ii) High speed diesel	0.00	0.03
iii) Stores & spares/consumables	3.73	3.17
iv) HSD, Stores & spares in transit	0.16	-
	<u>8.12</u>	<u>6.54</u>
*Inventories are valued at lower of cost or net realisable value.		
NOTE NO. 9 : TRADE RECEIVABLES		
Unsecured considered good:		
i) From holding company	17.88	-
ii) Others	0.00	12.05
	<u>17.88</u>	<u>12.05</u>
Also refer note no.39		

FACOR POWER LIMITED

Notes to the Financial Statement

Particulars	Amount (₹ in Crore)	
	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 10 : CASH AND CASH EQUIVALENT		
i) Balance in current accounts	7.93	1.91
ii) Cash on hand	0.00	0.00
	<u>7.93</u>	<u>1.91</u>
NOTE NO. 11 : BANK BALANCES OTHER THAN NOTE NO. 10		
i) Bank deposits (under court directions) with interest accrued & Due	23.17	22.06
ii) Bank deposits (held as margin money/security deposit)	1.77	8.60
	<u>24.94</u>	<u>30.66</u>
<p>Bank deposit of ₹ 20.00 Crores along with interest accrued and due ₹ 3.17 Crores (previous year ₹ 20.00 Crores along with interest accrued and due ₹ 2.06 Crores) are as made as per the directions of DRT, Delhi. Bank deposits of ₹ 0.76 Crores (Previous year ₹ 0.68 Crores) have been deposited with Executive Engineer, Salandi Canal Division, Bhadrak as advance water charges to be adjusted against water charges payable by the Company in case of default. Bank deposits of ₹ 1.00 Crore with interest (Previous year ₹ 0.92 Crores) represent as margin money for Bank Guarantees & Letter of Credits issued by Banks on behalf of the Company. Bank deposit ₹ nil represent short term deposit with SBI/HDFC Bank (Previous year ₹.7.00 Crores with SBI)</p>		
Also refer note no.39		
NOTE NO. 12 : Other current financial assets		
i) Interest accrued on fixed deposits	0.90	0.99
ii) Security deposits	0.09	0.13
iii) Advance to staff	-	-
	<u>0.99</u>	<u>1.13</u>
NOTE NO. 13 : Current tax assets		
Taxes paid (tax deposit at source)	0.40	0.42
	<u>0.40</u>	<u>0.42</u>
NOTE NO. 14 : OTHER CURRENT ASSETS		
i) Advance for purchase of goods	11.38	7.21
ii) Advance for expenses	0.45	0.06
iii) Prepaid expenses	0.43	0.36
iv) Other advances	1.56	1.55
Unsecured, considered doubtful	-	-
Advance for expenses	-	-
Less : Provision	-	-
	<u>13.82</u>	<u>9.18</u>

Particulars	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 15 : SHARE CAPITAL		
Authorised share capital		
235,000,000 Equity shares (Previous Year 235,000,000 shares) @ ₹ 10/share	235.00	235.00
15,00,000 Equity shares (Previous Year 15,00,000 shares) @ ₹ 100/share	15.00	15.00
	<u>250.00</u>	<u>250.00</u>
Share capital issued, subscribed and fully paid		
230,060,000 Equity shares (Previous Year 230,060,000 shares) @ ₹ 10/share	230.06	230.06
	<u>230.06</u>	<u>230.06</u>

A. Reconciliation of number of shares

(i) Authorised share capital	Equity	Equity
Outstanding at the beginning	23,50,00,000	23,50,00,000
Add: Issued during the year	-	-
Less: Deduction during the year	-	-
Outstanding at the end of the reporting period	<u>23,50,00,000</u>	<u>23,50,00,000</u>
(ii) Share capital issued, subscribed and fully paid	Equity	Equity
Outstanding at the beginning	23,00,60,000	23,00,60,000
Add: Issued during the year	-	-
Less: Deduction during the year	-	-
Outstanding at the end of the reporting period	<u>23,00,60,000</u>	<u>23,00,60,000</u>

B. Rights, preferences and restrictions attached to shares

Equity shares have a par value of ₹10/share. Each Shareholder is eligible for one vote per share held. The company declares dividends in Indian rupees. In case the dividend is proposed by the Board of Directors it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive in proportion to their shareholding, the assets of the Company remaining after distribution of preferential amount.

C. Shares held by Ferro Alloys Corporation Limited

	%	No. of Shares	%	No. of Shares
Equity	90.00	20,70,59,996	86.09	19,80,59,930

D. Shareholders holding more than 5% Shares

	%	No. of Shares	%	No. of Shares
Ferro Alloys Corporation Limited (Equity Shares)	90.00	20,70,59,996	86.09	19,80,59,930
Facor Alloys Limited (Equity Shares)	8.69	2,00,00,000	8.69	2,00,00,000

Other notes as prescribed under Schedule III regarding bonus shares, shares allotted for consideration other than cash, shares bought back, calls unpaid etc. are not applicable.

NOTE NO. 16 : OTHER EQUITY**Surplus (Deficit) in profit & loss**

Profit & loss balance as at beginning of the year	(781.85)	(611.26)
Net impact of change in accounting for lease asset as per Ind AS 116	(0.01)	-
Net profit/(loss) for the year	(113.22)	(170.55)
Closing balance of Profit & Loss	<u>(895.08)</u>	<u>(781.81)</u>

Remeasurement of post employment benefits obligations (net of taxes)

	(0.00)	(0.04)
Closing balance	<u>(0.00)</u>	<u>(0.04)</u>

Total

	<u>(895.08)</u>	<u>(781.85)</u>
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NON-CURRENT LIABILITIES**NOTE NO. 17 : BORROWINGS****Secured long term borrowings:**

a) Term loan (REC Ltd. Loan assigned to FACOR)

i) Ferro Alloys Corporation Ltd	510.98	
ii) Interest accrued and due	<u>718.94</u>	1,229.92

b) Long-term maturity of finance lease obligation

Vehicle loan from Banks	-	-
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c) Long-term maturity of lease obligation

	0.17	-
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Unsecured long term borrowings:

i) Preference Share Capital	11.00	11.00
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d) Current maturity of long term borrowings

	-	-
	<u>1,241.09</u>	<u>11.00</u>

Note:

A. i) As per the terms of the approved Resolution Plan, the loans granted by REC Limited to the Company along with all rights and interest against the Company has been assigned in favor of Ferro Alloys Corporation Limited (in short FACOR) vide an assignment agreement executed on September 21, 2020 between REC Ltd and FACOR, except the personal guarantee and third party security. Total outstanding debt payable to REC Ltd as on 21/09/2020 is ₹ 1203.95 Crores (₹ 510.98 Crores towards Principal and ₹ 692.97 Crores towards accumulated interest) has been assigned to Ferro Alloys Corporation Ltd.

The rate of interest on Principal loan assigned to Ferro Alloys Corporation Limited is 10.50% per annum during the year. The outstanding principal loan assigned is re-payable after a moratorium period of 3 years from loan assignment date in 7 equal instalment with the 1st Instalment being payable on 31st Dec' 2023.

The accumulated interest has to be paid at the end of 10 years from loan assignment date or the date on which all principal obligations are full paid, whichever ever is earlier.

ii) Preference shares are 15% cumulative redeemable after 20 years from the date of issue.

B. Also refer note no.39

FACOR POWER LIMITED

Notes to the Financial Statement

Particulars	Amount (₹ in Crores)	
	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 18 : PROVISIONS		
i) Provision for dividend on preference shares	10.40	8.75
ii) Provision for leave encashment	0.43	0.38
iii) Provision for gratuity	0.89	0.74
	<u>11.72</u>	<u>9.87</u>
NOTE NO. 19 : BORROWINGS		
a) Secured borrowings		
i) Cash credit loan from bank and repayable on demand	-	7.10
ii) Term Loan From Rural Electrification Corporation Limited (refer note no. 17A)	-	510.98
iii) Interest accrued and due	-	608.77
b) Unsecured borrowings		
i) Facor Alloys Limited	5.00	5.00
ii) Interest accrued and due	1.89	1.45
	<u>6.89</u>	<u>1,133.30</u>

Note:

19.1 The CC account with Central bank of India has been closed during the financial year 2020-21. However, Non-Fund limit for BG is currently under utilisation which will be replaced during next financial year.

19.2 Terms of re-payment of loan(s), rate of interest and default in re-payment of loan(s) & interest thereon:

- (i) The rate of interest on cash credit loan was 12.50% per annum during the year.
- (ii) The rate of interest on loan from Facor Alloys Limited is 12.50%. The repayment of the loan including interest upto 31st Dec'20 has been amicably settled on 3rd April' 21.
- (iii) Also refer note no.39

NOTE NO. 20 : TRADE PAYABLES

a) MSME creditors	-	-
b) Others	-	-
i) Creditors for purchases	0.86	1.33
ii) Creditors for expenses	1.25	1.91
	<u>2.11</u>	<u>3.23</u>

Disclosure under MSMED Act

Information as required to be furnished as per section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for half year ended 30th September, 2020 is given below. On the basis of information available there are no parties which are registered under MSMED Act.

Particulars	Figures as at March 31, 2021	Figures as at March 31, 2020
i) Principal amount remaining unpaid to any supplier covered under MSMED Act (refer note 23 & 24)	Nil	Nil
ii) Interest due remaining unpaid to any supplier covered under MSMED Act	Nil	Nil
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 MSMED Act.	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

Also refer note no.39

NOTE NO. 21 : OTHER FINANCIAL LIABILITIES

i) Retention money	6.97	7.17
ii) Current maturity of long-term debts	-	-
iii) Current maturity of lease Obligation	-	-
iv) Interest Accrued and due	-	-
v) Payable to suppliers for capital goods	5.04	8.48
vi) Payable to others	4.14	0.12
vii) Payable to employees	0.56	0.62
viii) Security deposit	0.02	0.02
	<u>16.73</u>	<u>16.41</u>

Also refer note no.39

NOTE NO. 22 : OTHER CURRENT LIABILITIES

Statutory dues (PF, TDS, Electricity duty etc.)	16.26	12.25
Dividend distribution tax on preference shares	2.14	1.80
	<u>18.40</u>	<u>14.05</u>

NOTE NO. 23: PROVISIONS

i) Provision for leave encashment	0.01	0.03
ii) Provision for gratuity	0.03	0.05
	<u>0.04</u>	<u>0.07</u>

FACOR POWER LIMITED

Notes to the Financial Statement

Particulars	Amount (₹ in Crore)	
	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 24 : REVENUE FROM OPERATIONS		
i) Sale of power	122.23	123.39
ii) Other operating revenue	-	0.00
	<u>122.23</u>	<u>123.40</u>
NOTE NO. 25 : OTHER INCOME		
i) Interest received from debtors	-	-
ii) Interest on fixed deposit/ margin money deposit	1.48	1.49
iii) Tender fee received	0.00	0.00
iv) Interest on security deposit	-	-
v) Interest on income tax refund	0.01	-
vi) Sundry Balance Written Back	1.23	-
	<u>2.71</u>	<u>1.49</u>

FACOR POWER LIMITED

Notes to the Financial Statement

Particulars	Amount (₹ in Crore)	
	Figures as at March 31, 2021	Figures as at March 31, 2020
NOTE NO. 26 : COST OF MATERIAL CONSUMED		
a) Coal consumed:		
Opening inventory	3.28	14.08
Purchase during the year	63.11	60.03
Add: Incidental expenses	21.60	24.72
Less: Closing Stock	4.12	3.28
	<u>83.86</u>	<u>95.55</u>
b) High speed diesel & Power & Fuel	0.89	0.89
c) Chemicals	0.33	0.24
	<u>85.09</u>	<u>96.68</u>
NOTE NO. 27 : EMPLOYEE BENEFITS EXPENSES		
Salaries & wages	5.88	5.59
Contribution to provident and other funds	0.30	0.28
Staff welfare expenses	0.02	0.03
	<u>6.19</u>	<u>5.90</u>
NOTE NO. 28 : FINANCE COSTS		
a) Interest cost		
i) interest on term loan	84.20	157.05
ii) interest on loan - Facor	28.08	-
iii) Interest on cash credit/short-term loan	0.87	1.53
iv) interest on delay deposit of statutory dues	2.29	1.39
v) others	0.02	0.01
	<u>115.46</u>	<u>159.97</u>
b) Dividend on preference shares	1.99	1.99
c) Other borrowing cost	0.20	0.14
	<u>117.64</u>	<u>162.11</u>
NOTE NO. 29 : OTHER EXPENSES		
Other operating expenses	2.78	3.06
Coal feeding expenses	0.97	0.96
Water treatment expenses	0.20	0.20
Ash disposal expenses	0.18	0.18
Stores & spares	1.93	2.45
Insurance	0.57	0.37
Water charges	1.70	1.58
Repair & maintenance-machinery	0.11	0.41
Repair & maintenance-buildings	0.00	-
Repair & maintenance-office	0.14	0.03
Director Sitting Fees	0.06	-
Loss on sale of Fixed Assets	-	-
Fixed assets written off	0.02	-
Audit expenses		
i) Statutory audit fee	0.02	0.01
ii) Tax audit	-	0.00
iii) Reimbursement of expenses	0.00	0.02
Rent (refer note no.37)	0.01	0.00
Guest house expenditure (refer note no.37)	0.01	0.02
Legal & professional	0.37	1.15
Electricity duty on auxiliary consumption	1.79	1.79
Rates & taxes	0.22	0.26
Travelling/conveyance expenses	0.08	0.20
Sundry Balance Written off	0.08	-
Miscellaneous expenses	1.05	1.07
	<u>12.30</u>	<u>13.77</u>

Facor Power Limited
CIN: U40101DL2005PLC139923

Notes to the financial statements for the year ended 31st March 2021

1. Corporate and General information of the Company

Facor Power Limited referred to as "FPL" or "the Company" is domiciled in India. The Company's registered office is at Zamrudpur, Kailash Colony, New Delhi.

The Company is having 100 MW (2x50) Thermal Power Plant at Bhadrak, Odisha and is engaged in generating of power. FPL was incorporated in 2005 under the Companies Act, 2013.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation

(i) Statement of Compliance

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated. Certain comparative figures appearing in these financial statements have been regrouped and/or reclassified to better reflect the nature of those items.

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional currency. All amounts have been rounded to the nearest rupees in Crores, unless otherwise indicated.

These financial statements were authorised for issue by the Board of Directors on 19th April 2021.

(ii) Basis of measurement

These financial statements have been prepared under the historical cost convention on the accrual basis and certain financial instruments are measured at fair value as explained in the accounting policies.

(iii) Use of estimates and judgment

in preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

a. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Leases: Whether an arrangement contains a lease
- Classification of leases into finance and operating lease
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 31st March 2021 is included below:

- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Useful life of property, plant & equipment
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

(iv) Current versus non-current classification

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

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 classified as current when:

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 Property, Plant and equipment:

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss if any. The cost of assets comprises of purchase price and directly

attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets, construction expenditure and interest on the funds deployed. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment. Major inspection and overhaul expenditure is capitalised, if the recognition criteria are met.

Any gain on disposal of property, plant and equipment is recognised in statement of Profit and loss.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance cost are charges to the statement of profit and loss when incurred.

Depreciation

Depreciation on tangible fixed assets is calculated on straight line Method (SLM) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Cost of leasehold land is amortized over the lease period. In case of certain PPE where the useful life is not available the same is to be determined by the technical expert.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

Estimated useful lives (in years) of assets are as follows:

Assets	Useful life (in years)
Buildings	30 to 40 years
Railway Sidings	5 to 15 years
Plant and Machinery	10 to 40 years
Office equipment	5 to 10 years
Furniture and fixture	8 to 10 years
Vehicles	6 to 10 years

2.3 Intangible Assets:

Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment

whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful life are not amortised but tested for impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible assets may be impaired.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

2.4 Impairment of Non-Financial Assets:

The carrying amounts of the Company's assets are reviewed at each balance sheet date to ascertain if there is any indication of impairment. An asset is considered to be impaired if evidence indicates that one or more events have had a negative impact on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated.

For intangible assets that have an indefinite useful life, the recoverable amount is estimated at each balance sheet date as the higher of value in use and fair value less costs of disposal.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

If the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount, an impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment, recognised for the assets, no longer exists or has decreased.

2.5 Lease

Determining whether an arrangement contains lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a 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.

At inception or on reassessment of an arrangement that contains lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as finance Lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on the general borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the Asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with general inflation to compensate for the lessor's expected inflationary cost increase.

2.6 Borrowing Costs

Borrowing costs specifically relating to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are recognised as per Effective Interest Rate method. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.7 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.

Initial recognition and measurement

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

Subsequent measurement

All financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), and equity instruments at fair value through profit or loss (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL.

The classification of financial instruments depends on the business model under which is held and the instruments contractual cash flow characteristics. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost is represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks.

Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and

(b) The asset's contractual cash flow represents SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

b) Non-derivative financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

Impairment of Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to be recognised as an impairment gain or loss is recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Reclassification of financial assets

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

Financial liabilities

Financial liabilities are recognised initially at fair value less any directly attributable transaction costs. These are subsequently carried at amortized cost using the effective interest method or fair value through profit or loss.

Offsetting of financial instruments

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

2.8 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.9 Inventories

The cost of inventories is based on weighted average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing the inventories to their present location and condition. Scraps are valued at net realisable value.

2.10 Revenue Recognition

The Company recognises revenue when the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset and it is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

(a) Revenue from sale of energy

The Company's revenue from contracts with customers is mainly from the sale of power. Revenue from contracts with customers is recognised when control of the goods or services is transferred. Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at conditions mutually agreed with beneficiaries and trading of power through power exchanges and excluding taxes or duties collected on behalf of the Government.

(b) Interest income

Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

2.11 Foreign currency transactions

- (a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- (b) Monetary items denominated in foreign currencies outstanding at the year end, are translated at exchange rates applicable on year end date.
- (c) Non-monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction and carried at cost.
- (d) Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

2.12 Employee Benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

The Company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have

been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised under as employee benefit expenses when they are due.

iii. Defined benefit plans

The company has only one Defined benefit plan - Gratuity. The company net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The company has following long term employment benefit plans:

Leave encashment

Leave encashment is payable to eligible employees at the time of retirement. The liability for leave encashment is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.12 Taxes

Income Tax expense comprises of current tax and deferred tax. Provision for current tax is made with reference to taxable income computed for the financial year for which the financial statements are prepared by applying the tax rates as applicable.

Current Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed as at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will not be available against which deferred tax asset to be utilized. 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.

2.13 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as being the chief operating decision maker by the Management of the company. Refer note 35 for segment information.

2.14 Earnings per Share

Basic Earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.15 Contingent liabilities, Contingent Assets & Provisions

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

Contingent liabilities, if material, are disclosed by way of notes and contingent asset, if any, is disclosed in the notes to financial statements. A provision is recognised, when an enterprise has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in

respect of which a reliable estimate can be made for the amount of obligation. The expense relating to the provision is presented in the profit and loss net of any reimbursement.

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

2.16 Cash & Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that is readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.17 Exceptional Items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

2.18 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.19 Events occurring after the balance sheet date

All material events occurring after the balance sheet date upto the date of consideration of financial statements by the Board of Directors on 19th April, 2021, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 – Events after the Reporting Period

RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs (MCA), notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

FACOR POWER LIMITED

Notes to financial statements for the year ended 31 March 2021 (₹ In Crores)

30 Contingent liabilities, contingent assets and commitments

Particulars	31-Mar-21	31-Mar-20
A) Contingent Liabilities		
i) Outstanding amount of Bank Guarantees	5.09	7.29
ii) Custom Duty for FY 2012-13	0.33	0.33
iii) Interest Liability - Thyssenkrupp Industries India Pvt Ltd. against outstanding dues (Also refer note no.31(a))	4.26	4.26
B) Commitments		
Letter of Credit	-	-

In respect of (A)(i) above, the cash flow (if any) would generally occur during the validity period of the respective guarantees.

In the opinion of the management, the value of realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities have been made.

In respect of (A)(ii) above, the case is filed before the Hon'ble Customs, Excise, and Service Tax Appellate Tribunal East regional Bench, Kolkata vide Appeal No. C/76645/2018-CU [DB] dated 21/05/2018 against the order of Commissioner (Appeals) of GST, Central Excise & Customs, Bhubaneswar and the appeal(s) will be heard by principal bench of the tribunal in Kolkata in due course.

31(a) (i) Ten cheques aggregating to ₹ 5.72 crs issued to Thyssenkrupp Industries (Boiler supplier) against their outstandings which were to be kept as security deposit were banked by them resulting in cheque bouncing. The Supplier filed case under section 138 of Negotiable Instruments Act in Pune Court in August 2017 and accordingly summons were issued to FPL as well as all the erstwhile promoter Directors. The erstwhile promoter Directors have hired lawyers to represent before the Court. After Aug 2017, The Company has not received any further notices/summons from the the above said court.

(ii) Demand Notice dated 12th April 2019 for ₹ 13.16 crs (Principal ₹ 8.90 plus Interest of ₹ 4.26 crs) received from Thyssenkrupp Industries (Boiler supplier) under section 8 of IBC. Reply sent vide letter dated 22.04.19 through Lawyer M/s Kesar Das B. & Associates. No further action taken by the Supplier.

31(b) The case matter of GDCL has been settled amicably and process has been initiated for withdrawal of case from NCLT.

31(c) Dispute matter with M/s Agarwal Coal Corporation Private Ltd., a coal supplier, has been amicable settled. The party has withdrawn the case from NCLT, Delhi, vide order dated 18/02/2021.

31(d) The case matter of Facor Alloys Limited has been settled by paying on dated 03/04/2021. The party has filed an application on dated 07/04/2021 for withdrawal the case from NCLT.

31(e) Jagabandhu Enterprises Pvt. Ltd (JEPL) who was allotted the construction of 132 KV transmission line of FPL, filed a Winding-up Petition u/s 433 (e) & (f) read with section 434 of the Companies Act, 1956 against the Company for non-payment of dues of ₹ 54,24,365/- (₹ 37,61,784/- principal and rest is interest) before Hon'ble High Court, Odisha, Cuttack. The last date of hearing was posted to dated 06.03.2020 and the case is pending before honorable Odisha High Court. But due to Covid -19, no further date has been given for hearing.

32 The Hon'ble National Company Law Tribunal, Cuttack Bench approved the resolution plan for FACOR (including the Company being the subsidiary of FACOR submitted by Sterlite Power Transmission Limited vide order dated January 30, 2020 ("Approved Resolution Plan"). The Approved Resolution Plan has been implemented by Vedanta Limited, being a group company of Sterlite Power Transmission Limited and the "Closing Date" (as defined under the Approved Resolution Plan) in relation to implementation of the Approved Resolution Plan occurred on September 21, 2020.

As per approved Resolution Plan, an Assignment Agreement executed between REC Ltd. (REC) and Ferro Alloys Corporation Ltd. (FACOR) on 21st September, 2020 and accordingly the loans granted by REC Limited to the Company Facor Power Limited (FPL) along with all rights, title and interest against the Company except all third party security and all personal guarantees provided by any individual for guaranteeing the loans, has been assigned in favor of Ferro Alloys Corporation Limited (FACOR). As a result the management of the Company, which was taken over by REC under SARFAESI Act from the erstwhile Promoters/Directors, stands withdrawn w.e.f. 21st September, 2020. After the Assignment Agreement come into force, the existing Board nominated by REC Ltd. has been replaced with new Board w.e.f. 21st September, 2020.

33 Certain fixed assets including vehicles are lying with erstwhile promoters of the Company against which the company has issued confirmation letter and duly acknowledged by them. Now the company is in process of recovering and settling value to those assets.

34 The accumulated losses of the Company had exceeded 100% of the Net Worth during the financial year 2016-17 and there is further erosion in net worth during the current financial year. The accumulated loss are mainly increasing due to provisioning of interest including penal interest of Secured loan. As per assignment agreement executed between REC Ltd. and Ferro Alloys Corporation Ltd. on dated 21/09/2020, the loans granted by REC Limited to the Company Facor Power Limited (FPL) along with all rights, title and interest against the Company except all third party security and all personal guarantees provided by any individual for guaranteeing the loans, has been assigned in favor of Ferro Alloys Corporation Limited (FACOR) who is our corporate debtors as well as holding company also. The financial position of holding company is very sound and expansion of FACOR, which hold 90% equity shares of Facor Power Limited (FPL) have the scope to increase their offtake of power. Further, the intention of present management has neither to liquidate nor cease to operate of FPL which is required to judge the going concern assumption. It is also important to mention the fact that FACOR is making profit after tax and FPL is also making positive EBIDTA. So the question of erosion of net worth and increase in accumulated losses may not affect the going concern assumption of the entity.

35 Segment information:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating Segments

The Management Information System of the Company identifies and monitors "Power" as the business segment. The Company is managed organisationally as a single unit. In the opinion of the management, the Company is primarily engaged in the business of generation of Power. As the basic nature of these activities are governed by the same set of risk and return, these constitute and are grouped as a single segment. Accordingly, there is only one Reportable Segment for the Company which is "Generation of Power", hence no specific disclosures have been made.

Entity wise disclosures

A. Information about products and services

During the year, the Company primarily operates in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about geographical areas

The entire sales of the company are made to customers domiciled in India. Also, all the non-current assets of the Company are located in India.

C. Information about major customers (from external customers)

The Company derives revenues from the following customers where each contributes to 10 per cent or more of an entity's revenues:

External Customers	31 March 2021	31 March 2020
Ferro Alloys Corporation Limited	121.78	136.54

36 Rent/Leases

- i) The company has taken its registered office and guest houses on operating lease. The tenure of these leases generally varies between 0.5-1 years. The Term of lease includes term of renewal, cancellation, etc.
- ii) The Company's registered office at 148,G/F, Zamrudpur,Kailash Colony, New Delhi - 110048, INDIA, taken on monthly rental basis of Rs.10,000/- . The lease agreement is valid till 30th April 2021. It can be extended further as per mutual consent of both party at the prevailing market price.
- iii). The Company has taken a guest houst at Bhadrak on lease rental basis which is now been cancelled on 7th March 2021.

37 Related Party Disclosure:-

I List of Related Parties:-

A. Name and nature of relationship with the related party where control exists:

Ferro Alloys Corporation Limited	Become holding Company from 21/09/2020.
Facor Realty and Infrastructure Limited	Become a Fellow Subsidiary from 21/09/2020.

B. Enterprise, over which key management personnel and their relatives exercise significant influence, with whom transactions have taken place during the year :

C. Key Management Personnel & their relatives:

Mr. Surendra Pradhan	Chief Executive Officer (from 8th August'18 till 1st August' 20) and Director w.e.f 12th Nov'2018 till 1st Aug'20)
Mr. Sanatan Panigrahi	CFO cum AGM Finance (w.e.f. 7th August'2019) and resigned from the position of CFO w.e.f. 22nd Jan'2021.
Mr. Sambit Sarangi	Company Secretary (w.e.f. 6th September'2019)
Mr. Bijay Kumar Mohanty	Chief Executive Officer and Nominee Director (from 1st August' 2020 to 21st Sept' 2020)
Ms. Pallavi Joshi Bakhru (DIN - 01526618)	Director (w.e.f. 21/09/2020)
Mr. Sauvick Mazumdar (DIN - 07558996)	Director (w.e.f. 21/09/2020)
Mr. Akhilesh Joshi (DIN - 01920024)	Director (w.e.f. 21/09/2020)
Mr. AR Narayanaswami (DIN - 00818169)	Director (w.e.f. 21/09/2020)
Mr. Anand Prakash Dubey	CFO (w.e.f.22/01/2021)
Mr P.G Sureshkumar	CEO (w.e.f.22/01/2021) and resigned from CEO on dated 31/03/2021

II Transactions with Related Parties during the year ended 31-03-2021 in the ordinary course of business.

Particulars	Name of Party	Nature of Transactions	2020-21	2019-20
Related parties & relationships, where control exists	Ferro Alloys Corporation Ltd.	Sale of Energy (including electricity duty & TCS)	134.88	-
		Lease rent paid / credited	0.00	-
		Reimbursement of expenses paid	0.83	-
		Interest paid/ credited on loan taken (Principal)	28.08	-
		Loan from REC Ltd assigned (Principal plus Accumulated interest till 21/09/2020)	1,203.95	-
		Re-imbusement of amount paid to Central Bank of India towards settlement of CC A/c	2.30	-
		Closing Balance :-		
		Amount receivable	17.88	-
Amount Payable	(1,229.92)	-		
Key Management Personnel (KMP) and their relatives	Mr. Raju Thapar	Salary & perquisites/benefits	-	0.98
		Reimbursement of expenses	-	-
		Closing Balance:-	-	0.08
	Mr. Surendra Pradhan	Reimbursement of expenses	0.02	0.08
		Closing Balance:-	0.02	0.08
	Mr. Sanatan Panigrahi	Salary & perquisites/benefits	0.20	18.01
		Reimbursement of expenses	0.00	0.57
		Closing Balance	0.20	18.57
	Mr. Sambit Sarangi	Salary & perquisites/benefits	0.07	3.52
		Reimbursement of expenses	-	0.54
		Closing Balance	0.07	4.06
	Ms. Pallavi Joshi Bakhru	Sitting fees (excluding GST)	0.02	-
		Closing Balance	0.02	-
	Mr. Akhilesh Joshi	Sitting fees (excluding GST)	0.01	-
Closing Balance		0.01	-	
Mr. AR Narayanaswami	Sitting fees (excluding GST)	0.02	-	
	Closing Balance	0.02	-	

Note: -

a) Transactions with Ferro Alloys Corporation Limited are for the full financial year i.e. 2020-21. It becomes an holding Company from 21/09/2020 on transfer of management form REC Ltd.

b) REC Ltd. has assigned the loan including interest of ₹ 1203.95 Crores as on 21st September, 2020 to Ferro Alloys Corporation Limited.

38 Employee benefits

The company contributes to the following post-employment defined benefit plans in India

Defined Contribution Plans:

The company contributes towards Provident Fund and pension scheme for qualifying employees. Under the plan, the company is required to contribute a specified percentage of payroll to the retirement benefit plan to fund the benefit. The amount debited to statement of profit and loss for the same amounted to ₹ 0.30 Crores (Previous Year ₹ 0.28 crores).

Defined Benefit Plan :

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of the defined benefit obligation for gratuity were carried out as at 31 March 2021. The present value of the

defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the amounts recognised in the Company's financial statements as at balance sheet date:

(a) Net defined benefit liability	31st March 2021	31st March 2020
Liability for Gratuity	0.92	0.78
Total employee Benefit liability	0.92	0.78
Non-Current	0.89	0.74
Current	0.03	0.05

(i) (a) Reconciliation of Opening and Closing balances of the present value of the Defined Benefit Obligation

Particulars	2020-21	2019-20
Present value of Defined Benefit Obligation at the beginning of the year	0.78	0.67
Interest Cost	0.05	0.05
Current Service Cost	0.10	0.09
Actuarial Losses/(Gains)	0.00	0.04
Benefits Paid	(0.02)	(0.06)
Present value of Defined Benefit Obligation at the close of the year	0.92	0.78

(b) Amount recognised in the Balance Sheet

Particulars	2020-21	2019-20
Present Value of Defined Benefit Obligation	0.92	0.78
Less: Fair Value of Plan Assets	-	-
Present Value of unfunded obligation	0.92	0.78

(c) Amount recognised in the Statement of CWIP/ Statement of Profit & Loss are as follows :

Particulars	2020-21	2019-20
In Income Statement		
Current Service Cost	0.10	0.09
Adjustments	-	-
Interest Cost	0.05	0.05
Expected return on Plan Asset	-	-
	0.15	0.14
In Other Comprehensive Income		
Net actuarial loss/(gain)	0.00	0.04
Net periodic cost	0.00	0.04

(d) Actuarial Assumptions as at the Balance Sheet date

Particulars	2020-21	2019-20
Discount Rate	6.90%	7.00%
Salary Escalation Rate	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(e) Sensitivity Analysis:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March 2021	
	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.50%)	0.87	0.97
Change in rate of salary increase (delta effect of +/- 0.50%)	0.97	0.87
Change in rate of employee turnover (delta effect of +/- 0.50%)	0.91	0.91

39 Financial instruments – Fair values and risk management

Fair value techniques

The following methods and assumptions were used to estimate the fair values:

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

Long term variable rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values.

Fair value hierarchy

Following provides for the fair value measurement hierarchy of Company's assets and liabilities grouped into level 1 to level 3 as described below:

Level 1: It includes those financial assets and liabilities whose value is quoted in the market.

Level 2: Valuation technique used is other techniques for which all inputs having significant effect on fair value are observable. Inputs available are currency exchange rates, interest rate to discount future cash flows, prevailing interest rates, future payouts.

Level 3: Techniques which uses inputs that have a significant effect on the recorded fair value that are not based on observable market data.

i. Fair value measurements

(a) Financial instruments by category*

Particulars	As at 31 March 2021	As at 31 March 2020
	Amortised Cost	Amortised Cost
Financial assets		
Non-current investments	0.00	0.00
Other non-current financial assets	1.92	1.75
Trade receivables	17.88	12.05
Cash and cash equivalents	7.93	1.91
Bank Balance other than above	24.94	30.66
Other current financial assets	0.99	1.13
Total	53.67	47.50
*Exclude financial instruments measured at cost		
Financial liabilities		
Non-current Borrowings	1,241.09	11.00
Current Borrowings	6.89	1,133.30
Trade payables	2.11	3.23
Other financial liabilities	16.73	16.41
Total	1,266.81	1,163.94

(b) Fair value hierarchy

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

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current investments	-	-	0.00	0.00
Other non-current financial assets	-	-	1.92	1.92
Trade receivables	-	-	17.88	17.88
Cash and cash equivalents	-	-	7.93	7.93
Bank Balance other than above	-	-	24.94	24.94
Other current financial assets	-	-	0.99	0.99
Total financial assets	-	-	53.68	53.68
Financial liabilities				
Non-current Borrowings	-	-	1,241.09	1,241.09
Current Borrowings	-	-	6.89	6.89
Trade payables	-	-	2.11	2.11
Other financial liabilities	-	-	16.73	16.73
Total financial liabilities	-	-	1,266.80	1,266.80

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Non-current investments	-	-	0.00	0.00
Other non-current financial assets	-	-	1.75	1.75
Trade receivables	-	-	12.05	12.05
Cash and cash equivalents	-	-	1.91	1.91
Bank Balance other than above	-	-	30.66	30.66
Other current financial assets	-	-	1.13	1.13
Total financial assets	-	-	47.50	47.50
Financial liabilities				
Non-current Borrowings	-	-	11.00	11.00
Current Borrowings	-	-	1,133.30	1,133.30
Trade payables	-	-	3.23	3.23
Other financial liabilities	-	-	16.41	16.41
Total financial liabilities	-	-	1,163.94	1,163.94

(c) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Non-current investments	0.00	0.00	0.00	0.00
Other non-current financial assets	1.92	1.92	1.75	1.75
Trade receivables	17.88	17.88	12.05	12.05
Cash and cash equivalents	7.93	7.93	1.91	1.91
Bank Balance other than above	24.94	24.94	30.66	30.66
Other current financial assets	0.99	0.99	1.13	1.13
Total	53.68	53.68	47.50	47.50
Financial liabilities				
Non-current Borrowings	1,241.09	1,241.09	11.00	11.00
Current Borrowings	6.89	6.89	1,133.30	1,133.30
Trade payables	2.11	2.11	3.23	3.23
Other financial liabilities	16.73	16.73	16.41	16.41
Total	1,266.80	1,266.80	1,163.94	1,163.94

ii. Financial risk management

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

i. Credit risk

Credit risk is the risk of financial loss to company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from the company's receivables from customers.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The gross carrying amount of trade receivables is ₹ 17.88 Crores (Previous year ended on 31 March 2020 – ₹ 12.05 Crores).

During the period, the Company has made no write-offs of trade receivables. The Company management also pursue all options for recovery of dues wherever necessary based on its internal assessment. The Company assesses the credit quality of the counterparties, taking in to account their financial position, past experience and other factors. Credit risk relating to trade receivable is considered negligible as counterparties are having good credit quality.

ii. Liquidity risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2021	31 March 2020
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
Secured	-	0.02
Unsecured	-	-
Expiring beyond one year	-	-
Total	-	0.02

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year (as at 31 March 2021 - 1 year and as at March 2020 - 1 year). The utilised CC limit is fully settled during th F.Y. 2020-21 and the CC account has been closed.

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amounts 31 March 2021	Contractual cash flows				
		Total	Between 0-30 days	Between 1 to 2 years	Between 2 to 5 years	More than 5 year
Non-derivative financial liabilities						
Non-current Borrowings	1,241.09	1,241.09	-	1,230.09	-	11.00
Current Borrowings	6.89	6.89	6.89	-	-	-
Trade payables	2.11	2.11	2.11	-	-	-
Other financial liabilities	16.73	16.73	16.73	-	-	-
Total non-derivative liabilities	1,266.81	1,266.81	25.73	1,230.09	-	11.00

Particulars	Carrying Amounts 31 March 2020	Contractual cash flows				
		Total	Between 0-30 days	Between 1 to 2 years	Between 2 to 5 years	More than 5 year
Non-derivative financial liabilities						
Non-current Borrowings	11.00	11.00	-	(1,230.09)	1,230.09	11.00
Current Borrowings	1,133.30	1,133.30	1,133.30	-	-	-
Trade payables	3.23	3.23	3.23	-	-	-
Other financial liabilities	16.41	16.41	16.41	-	-	-
Total non-derivative liabilities	1,163.94	1,163.94	1,152.94	(1,230.09)	1,230.09	11.00

iii. Market risk

Market risk is the risk that changes in market prices, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Commodity Price risk

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of the raw material (coal) purchased by the company for production of power. Therefore the Company monitors its purchases closely to optimise the price

(b) Currency risk

The functional currency of the Company is Indian Rupees. The Company do not use derivative financial instruments for trading or speculative purposes. As the Company does not engage in foreign exchange transaction, it is not exposed to currency risk.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31-Mar-21	31-Mar-20
Fixed Rate Instruments		
Financial Assets	24.95	30.67
Financial Liabilities	1,247.98	1,137.19
Total	1,272.93	1,167.87
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	-	7.10
Total	-	7.10

Sensitivity analysis

Fixed rate instruments

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Variable rate instruments

A reasonably possible change of 100 basis points in variable

Particulars	Profit or loss, net of tax		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2021				
Variable Rate Instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2020				
Variable Rate Instruments	(7.20)	7.20	(7.20)	7.20
Cash flow sensitivity (net)	(7.20)	7.20	(7.20)	7.20

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through equity, internal accruals, long term borrowings and short term borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

The gearing ratio for each year is as follows:-

Particulars	As at March 31, 2021	As at March 31, 2020
Current borrowings	6.89	1,133.30
Non-current borrowings	1,241.09	11.00
Total borrowings	1,247.98	1,144.30
Less: Cash & cash equivalents	7.93	1.91
Net debt	1,240.04	1,142.38
Total equity attributable to the equity share holders of the company	(665.02)	(551.79)
Capital and net debt	575.02	590.59
Gearing ratio	2.16	1.93

Notes :-

- (i) Debt is defined as long -term and short - term borrowings including current maturities as described in note no. 17, 19 & 21.
- (ii) Total equity (as shown in balance sheet) includes issued capital and all other equity.

41 Value of imports calculated on C.I. F. basis

Sl. No.	Particulars	Value ₹ In Crores	
		2020-21	2019-20
1	Raw Materials	1.33	6.37
2	Components and Spareparts	-	-
	Total	1.33	6.37

42 Consumption of raw materials, spare parts and components

Sl. No.	Particulars	2020-21		2019-20	
		Value	%	Value	%
1	Imported	1.33	1.53	6.37	6.42
2	Indigenous	85.68	98.47	92.77	93.58
	Total	87.02	100.00	99.14	100.00

43 Remuneration to Directors

Except sitting fees, no remuneration has been paid to Directors during the financial year 2020-21 and 2019-20 -

Sl. No.	Particulars	2020-21	2019-20
1	Salaries	-	-
2	Perquisites & Allowances	-	-
3	Contribution to provident fund	-	-
4	Sitting Fees	0.05	-
	Total	0.05	-

44 Tax expense

A. Income tax expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Current tax on profit for the period	-	-
Total current tax expense	-	-

(b) Deferred tax

Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expenses	-	-

Total income tax expenses	-	-
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B. Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit/(loss) before tax	-	-
Indian tax rate @26% (previous year @25.75%)	-	-
Deferred tax not recognised during the year*	-	-
Total tax expense as per profit & loss	-	-

* Considering the present financial position and requirement of the Indian Accounting Standard-12 on Accounting for Taxes on Income, regarding certainty/virtual certainty, Deferred tax asset has not been recognised.

45 Earning per share (EPS)

Sl. No.	Particulars	2020-21	2019-20
1	Earning available for equity shareholders	(113.22)	(170.59)
2	Weighted average no. of shares	23.01	23.01
3	Basic EPS (Rs./shares)	(4.92)	(7.42)
4	Diluted EPS (Rs./share)	(4.92)	(7.42)

46 Additional information

Sl. No.	Particulars	2020-21		2019-20	
		Particulars	* Value	Particulars	Value
1	Installed Capacity (MW)	100	-	100	-
2	Power Generation (KWH)	27,35,11,259	-	28,12,71,482	-
3	Power Sold (KWH)	23,83,10,830	122.23	24,56,26,990	123.40
4	Raw Material - Consumed (MT)	2,64,132	83.86	2,83,972	95.55

*Note - Power sold in value is excluding of ED and TCS

47 Issue of Ind-AS 116-Leases

Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019.

Information on Leases as per IND AS 116 on Leases:-

The Company has taken land on lease from the government.

With the exception of short term leases and leases of low value underlying asset, each lease is reflected on the balance sheet as a Right of use asset and lease liability.

Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its Property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.

A. Right of Use assets

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Lease Land 1	Lease Land 2	Right of Use asset (Total)
As at April 1, 2019	0.04	1.22	1.27
Additions	-	-	-
Depreciation Expense for FY 19-20	0.00	0.01	0.01
Depreciation Expense for FY 20-21	0.00	0.01	0.01
As at March 31, 2021	0.04	1.20	1.24

B. Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period.

Particulars	Lease liabilities
As at April 1, 2019	0.17
Additions	-
Interest accrued for FY 19-20	0.02
Interest accrued for FY 20-21	0.02
Payments	0.04
As at March 31, 2021	0.17
Current	-
Non Current	0.17

C. Lease payments not included in measurement of lease liability -

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31-Mar-21
Short-term leases	Nil
Leases of low value assets	Nil
Variable lease payments	Nil

D. Information about extension and termination options :

Right of use assets	Number of leases	Range of remaining term (years)	Average remaining lease term (years)
Leasehold Land	2	89.71 Yrs	89.71 Yrs

Note: There are no extension or termination options, in the leases specified above.

A. Impact on transition -

(i) Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied full retrospective approach to all lease contracts existing as at 1 April 2019. Under this approach, this standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. Accordingly, the Company has recognized right of use asset at its carrying amount by applying Ind AS 116 from the lease commencement date and discounted using the Company's implicit interest rate as at the date of commencement of lease.

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

On transition to Ind AS 116 the implicit interest rate applied to lease liabilities recognised was 11.75%.

48 Amendments to existing issued Ind-AS

(i) Ind AS 11 - The effects of Changes in Foreign Exchange Rates

Applicability of above standards are not expected to have any significant impact on the Company's Financial Statements

(ii) Ind AS 12 - Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends as profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

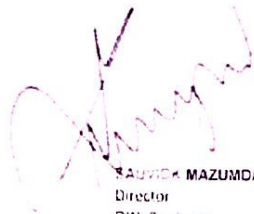
(iii) Amendment to Ind AS 19 - plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

As per our report of even date attached.
For SBN & ASSOCIATES
Chartered Accountants
Firm Registration No. 323579E



BIMAL KUMAR BHOOT
Partner
Membership No. 057858



SAUNICK MAZUMDAR
Director
DIN 00000000

For and on behalf of the Board,



AR NARAYANASWAMY
Director
DIN 00818163



ANAND ANUPASH DUBEY
Chief Financial Officer



SAMBIT KUMAR SARANGI
Company Secretary

Place: Bhubaneswar
Date: 19th April 2019