



CIN:- U45203OR2009PLC010620

# **ANGUL SUKINDA RAILWAY LIMITED**

## **ANNUAL REPORT**

### **2019-2020**



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## **ANNUAL REPORT**

### **2019-2020**

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# **MANAGEMENT TEAM**

**Board of Directors as on 31.03.2020:**

1. **Mr. Mukesh Kumar Gupta**, Additional Director, (Non-Executive) Chairman, AM(W), Railway Board
2. **Mr. Dilip Kumar Samantray**, Managing Director
3. **Mr. Manoj Kumar Mishra**, Director (Nominee of Govt. of Odisha.)
4. **Mr. Ajit Kumar Panda**, Additional Director (Nominee of Rail Vikas Nigam Ltd.)
5. **Dr. Meenu Dang**, Director (Nominee of Rail Vikas Nigam Ltd.)
6. **Mr. Saroj Kanta Patra**, Additional Director (Nominee of Rail Vikas Nigam Ltd.)
7. **Mr. Sudhansu Ranjan Mohapatra**, Director (Nominee of The Odisha Mining Corporation Ltd.)
8. **Mr. Sushanta Kumar Mohanty**, Director (Nominee of Govt. of Odisha)
9. **Mr. Anuj Kumar**, Director (Nominee of Container Corporation of India Ltd)
10. **Mr. S A Rahman**, Director (Nominee of Container Corporation of India Ltd)
11. **Mr. Guru Charan Ray**, Independent Director
12. **Mr. Biranchi Narayan Mishra**, Independent Director

**Registered Office:**

**Plot No – 7622/4706,  
Mauza-Gadakana Press Chhaka,  
Gajapati Nagar,  
Bhubaneswar-751005  
Odisha**

**Statutory Auditors:**

**M/s Batra Swain & Associates,  
Chartered Accountants  
L3/80, Housing Board Colony,  
Acharya Vihar,  
Bhubaneswar-751013**

**Bankers:**

**Canara Bank,  
Mid Corporate Branch,  
Laxmi Sagar, Cuttack Road  
Bhubaneswar-751006  
Odisha**



**NOTICE  
OF  
11<sup>TH</sup> ANNUAL  
GENERAL MEETING**



*Angul Sukinda Railway Ltd.*

## **Notice of the Eleventh AGM**

### **Venue:**

**Angul Sukinda Railway Ltd.,  
Plot no. 7622/4706, Press Chhaka,  
Gajapati Nagar, Bhubaneswar- 751005  
Through Video Conference**

## **NOTICE**

Notice is hereby given that the **Eleventh** Annual General Meeting of the shareholders of Angul Sukinda Railway Limited will be held on Thursday, 16<sup>th</sup> October, 2020, at **15.30 Hrs** at Bhubaneswar, Odisha to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2020, Profit & Loss Account for the year 2019-20 and the reports of the Board of Directors and Auditor's thereon.

**"RESOLVED THAT** the Audited Accounts for the period ended 31<sup>st</sup> March, 2020 along with the Reports of Board of Directors and Auditors thereon be and are hereby received and adopted."

2. To appoint a Director in the place of Dr. Meenu Dang having DIN 05171078, who is liable to retire by rotation and being eligible offers herself for re-appointment and to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Dr. Meenu Dang having DIN 05171078, Director who retire by rotation and being eligible for reappointment, be and is hereby reappointed as Director of the Company."

3. To appoint a Director in the place of Mr. S A Rahman having DIN 08313871, who is liable to retire by rotation and being eligible offers himself for re-appointment and to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. S A Rahman having DIN 08313871, Director who retire by rotation and being eligible for reappointment, be and is hereby reappointed as Director of the Company."

4. To Fix the Remuneration of the Statutory Auditor of the company Appointed by Comptroller and Auditor General (CAG).

As per the provisions of Section 139(5) of the Companies Act, 2013 (as applicable to the Company) appointment of Statutory Auditors is made by Comptroller & Auditor General of India. Section 142 of the Companies Act, 2013 provides that, the remuneration of the Auditor shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. Therefore, the following resolution is proposed before the General Meeting:

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

**“RESOLVED THAT** the Board of Directors of AngulSukinda Railway Limited be and is hereby authorized to fix, the remuneration of the Auditors of the Company appointed by the Office of the Comptroller & Auditor General of India for audit of accounts of the Company for the Financial Year 2020-21.”

**SPECIAL BUSINESS:**

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Ordinary Resolutions**:

5. **Appointment of Shri Saroj Kanta Patra as a Director on the Board of the Company and in this regard, pass the following resolution:**

**“RESOLVED THAT, Shri Saroj Kanta Patra** (Nominee of Rail Vikas Nigam Limited) having DIN 08550153 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company.”

**6. Appointment of Shri. Ajit Kumar Panda as a Director on the Board of the Company and in this regard, pass the following resolution:**

**“RESOLVED THAT Shri. Ajit Kumar Panda** (Nominee of Rail Vikas Nigam Limited) having DIN 08221385 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company.”

**7. Appointment of Shri Kapil Rawat as a Director on the Board of the Company and in this regard, pass the following resolution:**

**“RESOLVED THAT Shri Kapil Rawat** (Nominee of Jindal Steels & Power Limited) having DIN 02296383 who was appointed by the Board of Directors as an Additional Director under section 161 of the Companies Act, 2013 and holds his office up to the date of this Annual General Meeting in respect of whom the Company has received a notice under section 152 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation, under the Articles of Association of the Company.”

**To consider and if thought fit, to pass with or without modifications, the following resolutions as Super Majority (Special) Resolutions:**

**8. Power of Board of Directors to borrow in excess of the paid up capital and free Reserve of the Company**

The Board in its 49<sup>th</sup>BOD meeting of ASRL held on 4<sup>th</sup>September, 2020 had already passed this resolution. Now it is to be passed by the Shareholder in the AGM.

**“RESOLVED that pursuant to the provisions of Section 180(1)(c) of Companies Act, 2013 or any amendment or modifications thereof the consent of the company be and is hereby accorded to borrow and raise such sum or sums of money from time to time as may be required for the purposes of the business of the Company, in excess of the aggregate of the paid-up capital and free reserves of the Company. The reserves which is not set apart for any specific purpose only has been considered, subject to the proviso that such borrowing**

shall not exceed Rs. 2200,00,00,000 (Rupees Twenty Two Hundred Crores only) over and above the aggregate of the paid-up capital of the Company and its free reserves and shall exclude all temporary loans obtained by the Company from its bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company.”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

“RESOLVED FURTHER THAT Shri D. K. Samantray, the Managing Director of the Company and the Company Secretary be and are hereby authorised to sign and file the necessary forms and returns with MCA and to do all such acts and deeds as may be necessary to give effect to the resolutions.”

**9. Increase in Authorized Share Capital of the Company from Rs. 800.00 Crores to Rs. 1200.00 Crores**

The Board in its 49<sup>th</sup> meeting of ASRL held on 4<sup>th</sup>September, 2020 had decided to enhance the Authorised Capital of ASRL to Rs. 1200 Crores on account of issue of Redeemable Preference Shares worth Rs 400 Crores to Tata Steel Ltd for the proposed rail connectivity to Kalinganagar site. Therefore the following resolution is required to be passed by the Shareholder in the AGM.

“RESOLVED THAT pursuant to the provisions of section 61 (1) (a) of the Companies Act, 2013 and other applicable provisions of the Companies Act,2013, if any, the Authorized Share Capital of the Company be increased from Rs. 800,00,00,000/- (Rupees Eight Hundred Crores only) divided into 80,00,00,000 (EightyCrores) numbers ofequity shares of Rs. 10/- each to Rs. 1200,00,00,000/- (Rupees Twelve Hundred Crores only) consisting of Rs 80,00,00,00,000 /- as Equity Shares of Rs 10/- each and Rs 40,00,00,00,000/- (Rupees Fourty Crores) as Preference Shares of Rs 10/- each.”

“Further Resolved that **Clause - V** of the Memorandum of Association of the Company, for the words and figures: “The Authorized Share Capital of the Company

is Rs. 800,00,00,000/- (Rupees Eight Hundred Crore only) divided into 80,00,00,000 (Eighty Crores) numbers of equity shares of Rs. 10/- each", shall be substituted with the following :

**"The Authorized Share Capital of the Company is Rs. 1200,00,00,000/- (Rupees Twelve Hundred Crores only) of which Rs 800,00,00,000 /- divided into 80,00,00,000 (Eighty Crores) numbers of equity shares of Rs. 10/- each and Rs 400,00,00,000/-be towards Preference Share Capital divided into 40,00,00,000 (Forty Crores) numbers of Preference shares of Rs 10/- each."**

**"RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 and other applicable provisions of the Companies Act,2013, if any, the consent of the Company be and is here by accorded for issue and allotment of Rs. 400 Crores Redeemable Preference shares to M/s TATA Steel Limited and Authorized the Board of Director to finalise the terms and conditions of the issue and allotment of the said Redeemable Preference Share Capital to M/s TATA Steel Limited."**

By Order of the Board of Directors  
For Angul Sukinda Railway Limited

Date: 07/09/2020  
Place: Bhubaneswar

Sd/-  
Srimanta Baboo  
Company Secretary

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- 2. EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION - 102 OF THE COMPANIES ACT, 2013 FOR SPECIAL BUSINESS ARE ANNEXED HEREWITH.**

**TO:** \_\_\_\_\_

- I. ALL THE SHAREHOLDERS OF THE COMPANY.**
- II. STATUTORY AUDITORS OF THE COMPANY**
- III. ALL DIRECTORS OF THE COMPANY**



**EXPLANATORY STATEMENT ON SPECIAL BUSINESS AS REQUIRED UNDER SECTION - 102 OF THE COMPANIES ACT, 2013**

**Item No. 5: Appointment of Shri Saroj Kanta Patra as a Director on the Board of the Company**

**Shri Saroj Kanta Patra** (Nominee of Rail Vikas Nigam Limited) having DIN 08550153 was appointed as Additional Director of the Company with effect from 26.09.2019, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose **Shri Saroj Kanta Patra** (Nominee of Rail Vikas Nigam Limited) having DIN 08550153, as a Director of the Company as required under the aforesaid Section.

Except for **Shri Saroj Kanta Patra** no other directors are interested in this resolution.

The Board of Directors recommends passing the resolution as **Ordinary Resolution**.

**Item No. 6: Appointment of Shri. Ajit Kumar Panda as a Director on the Board of the Company**

**Shri. Ajit Kumar Panda** (Nominee of Rail Vikas Nigam Limited) having DIN 08221385 was appointed as Additional Director of the Company with effect from 25.02.2019, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose **Shri. Ajit Kumar Panda** (Nominee of Rail Vikas Nigam Limited) having DIN 08221385, as a Director of the Company as required under the aforesaid Section.

Except for **Shri. Ajit Kumar Panda** no other directors are interested in this resolution.

The Board of Directors recommends passing the resolution as **Ordinary Resolution**.

**Item No. 7: Appointment of Shri Kapil Rawat as a Director on the Board of the Company**

**Shri Kapil Rawat** (Nominee of Jindal Steels & Power Limited) having DIN 02296383 was appointed as Additional Director of the Company with effect from 25.02.2019, pursuant to provisions of Section 161 of the Companies Act, 2013.

Under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying his intention to propose **Shri Kapil Rawat** (Nominee of Jindal Steels & Power Limited) having DIN 02296383, as a Director of the Company as required under the aforesaid Section.

Except for **Shri Kapil Rawat** no other directors are interested in this resolution. The Board of Directors recommends passing the resolution as **Ordinary Resolution**

**Item No. 8: Power of Board of Directors to borrow in excess of the paid up capital and free Reserve of the Company**

ASRL is in the process of Implementation of the Project. The Total Project Cost as estimated by RVNL (EPC agency) is Rs. 2491.06 Crores. The Authorized Capital is Rs. 800.00 and the Paid up Capital of the Company at present is Rs. 687.60Crores. The Debt required for the Project is Rs. 1600.00 Crores. As per the Companies Act, 2013 the company has to take the approval of the share holders in a general meeting for taking loan in excess of the paid of Capital and free reserve of the Company.

As in the case the debt to be raised exceeds the Paid up capital and free reserve of the company the approval of the share holders is necessary. The resolution has already been passed at the 49<sup>th</sup> BOD of ASRL held on 17<sup>th</sup> December, 2019.

None of the Directors, Key Managerial Personnel of the company or their relatives is in any way concerned or interested in this resolution

The Board of Directors recommends passing the resolution as **Super Majority (Special) Resolution**.

**Item No. 9: Increase in Authorized Share Capital of the Company from Rs. 800.00Crores to Rs. 1200.00 Crores**

In the 49<sup>th</sup>Board meeting of the company, it is proposed to increase the Authorized share capital of the Company may from Rs. 800.00 Crores to Rs. 1200.00 Crores.

The change in authorized share capital of the Company requires alteration in clause V of Memorandum of Association of the Company.

Section 61 of the Companies Act, 2013 requires that the Shareholders consent should be obtained for increasing the Authorized Share Capital by passing an ordinary resolution.

Further, as per the provisions of the Shareholders and Share Subscription Agreement of the Company, any amendment in Memorandum of Association and Article of Association of the

Company requires the Shareholders' consent by passing as Super Majority Resolution (3/4th Majority) along with affirmative vote of RVNL.

The proposed enhanced authorized capital of Rs400Crore are on the following account.

Rs.400 Crore of Redeemable preference shares are proposed to be issued to Tata Steel Ltd in relation to funding of Tata Connectivity rail line.

None of the Directors including Managing Director or Key Managerial personnel of the Company are concerned or interested in the proposed resolution, directly or indirectly through any of their relatives except to the extent of the shares held by them.

The Board of Directors recommends passing the above resolution as **Super Majority (Special) Resolution.**

By Order of the Board of Directors  
For Angul Sukinda Railway Limited

Date: 07/09/2020  
Place: Bhubaneswar

Sd/-  
Srimanta Baboo  
Company Secretary



**Form No. MGT-11  
Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

**CIN** :U45203OR2009PLC010620  
**Name of the company** : AngulSukinda Railway Limited  
**Registered office** : Plot No. 7622/4706,  
Mauza- Gadakana Press Chhaka  
Bhubaneswar  
Orissa-751005, INDIA

**Name of the member (s):**  
**Registered address:**  
**E-mail Id:**  
**Folio No/ Client Id:**  
**DP ID:**

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address: E-mail Id:

Signature:....., or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the .....Annual general meeting/ Extraordinary general meeting of the company, to be held on the ..... day of..... At..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

**Signed this..... day of..... 2020**

**Signature of shareholder**  
**Signature of Proxy holder(s)**

**Affix  
Revenue  
Stamp**

# **DIRECTORS' REPORT**

## **DIRECTORS' REPORT**

### **DISTINGUISHED MEMBERS,**

Your Directors present herewith the Eleventh Annual Report of the Company along with Audited Annual accounts for the financial year 2019-2020.

Angul Sukinda Railway Limited (ASRL) was incorporated under Companies Act, 1956 on 20th February, 2009, and has its registered Office in Bhubaneswar, Odisha. The Company was set up for developing, financing, construction, operation and maintenance of 104.242 KM long new Railway line between Budhapank in Angul District, Odisha to Baghuapal in Jajpur District on Built-Own-Operate basis. It is a Joint Venture Public Limited Company initially promoted by Rail Vikas Nigam Limited with Jindal Steel & Power Limited. Another partner, M/s Bhushan Steel Limited joined the Company as equity partner by signing Shareholders and Share Subscription Agreement on 27th May, 2009. The Shares of BSL have been forfeited due to non payment of Cash calls and the same have been reissued to Government of Odisha, Odisha Industrial Infrastructure Corporation (A govt. of Odisha Undertaking) IDCO and The Odisha Mining Corporation Limited (OMC). IDCO joined the Company as equity Partner after signing the Participation Agreement on 7th October, 2013 and Govt. of Odisha and OMC joined the Company as equity partners after signing the Participation Agreement II on 21st March, 2014. Another Equity partner Container Corporation of India Limited (CONCOR) joined the Company as equity partner after signing the Participation Agreement III on 19th January, 2015. During this year, after spending all equity funds in the project, the company has arranged a loan amount of Rs. 1600 Cr. through consortium of seven nationalized banks for door to door tenure of 13 years. The interest rate for the current year is 9.5%. Till March, 2020, Rs. 445.61 Cr. has been raised as loan for the project expenditure. The company has again got the credit rating done for the purpose of loan syndication during the year 2019-20. It has got "BBB" rating with outlook as stable.

## **FINANCIAL HIGHLIGHTS**

The salient financial parameters of ASRL for 2019-20 are given below:

<b>Particulars</b>	<b>Financial Year ended March 31, 2020 Rs. in lakh</b>	<b>Financial Year ended March 31, 2019 Rs. in lakh</b>
Profit/ Loss Before Tax	(7.57)	292.85
Less: Current Tax	143.30	241.48
Deferred Tax	(178.37)	(173.23)
Profit for the year	27.50	224.60
<b>Transferred to General Reserve</b>	<b>27.50</b>	<b>224.60</b>

## **FINANCIAL PERFORMANCE FOR THE YEAR 2019-20**

During the Year under review, the Financial Statement of the Company has been prepared as per the Indian Accounting Standards (IND AS) as notified by the Ministry of Corporate Affairs along with the comparative financial statement of F.Y. 2018-19. For the year ended 31<sup>st</sup> March 2020, the company has recognised revenue of Rs. 30,308.26 Lakhs (Rs. 23,821.67 Lakhs for the year ended 31.3.2019) consisting of 30,308.26 Lakhs (Rs. 23,821.67 Lakhs for the year ended 31.3.2019) on construction of intangible assets under service concession arrangement. Company has recognised nil profit on construction of intangible assets under service concession arrangement. The revenue recognised in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement. The company has not recognised any revenue from operation of railway line since the construction of line is in process. The revenue shall be booked once the operation of line is commenced. The company has recognised receivable under service concession arrangement measured initially at fair value and subsequently at amortised cost as at 31<sup>st</sup> March 2020 of Rs. 1636.70 Lakhs (1412 Lakhs as at 31.3.2019), representing the present value of fresh land acquired by MOR and leased to ASRL which is recoverable at the end of concession period from MOR, of which Rs. 383.29 lakhs (Rs. 270.99 Lakhs as at 31.3.2019) represents accrued interest.

Further, during the year ended 31<sup>st</sup> March 2020 the company has earned interest on Fixed/flexi deposits of Rs. 327.58 Lakhs. Since the company is in construction phase, both the interest income and interest expenses on long term borrowings has been capitalised with 'intangible assets under development'.

The company has incurred administrative expenditure of Rs. 352.95 Lakhs (excluding depreciation and amortisation expenses of Rs. 28.85 lakhs), out of which 25% of the administrative expenditure (excluding CSR Expenses) of Rs. 88.23 lakhs has been charged to statement of profit and loss and balance 75% of Rs. 264.71 has been capitalised with 'intangible assets under development'. The Company has earned a net profit of Rs. 27.50 Lakhs during the Financial Year 2019-20. The total intangible assets under development till 31.03.2020 after adjusting the interest on mobilisation advance of Rs. 657.68 lakhs, sale of tender of Rs. 3.85 lakhs & Interest on Bank Deposits of Rs.1710.96 lakhs is Rs. 98162.31 lakhs for project assets.

### **CAPITAL STRUCTURE**

The Company was initially registered with an Authorized Share Capital of Rs. 5 lakhs. Later on it was increased to Rs. 420 Crores on 29.06.2009 and to Rs. 470.40 Crores on 24.09.2013. At present the Authorised Capital of the Company was increased to Rs. 800.00 Crores on 27.12.2018. The Paid up share capital of the Company was Rs. 600.00 Crores as on 31.03.2020.

For Equity Participation, the Company has entered into Shareholders and Share Subscription Agreement with 6 parties who have agreed to subscribe the equity of the Company in following percentages (i) Rail Vikas Nigam Limited (RVNL) 31.50%, (ii) Jindal Steel and Power Limited (JSPL) 10.00%, (iii) Odisha Industrial Infrastructure Corporation (IDCO) 0.70% (iv) Government of Odisha (GoO) 21.30 % (v) The Odisha Mining Corporation Limited (OMC) 10.50% and (vi) Container Corporation of India Limited (CONCOR) 26.00%. During the year 2015-16, all the shareholders have paid their cash call money dues against the initial total equity (a total of Rs 600 Crore). Initially M/s Bhusan Steels Limited



was an equity Partner of the Company, but the shares of BSL have been forfeited due to non-payment of cash calls.

### **DETAILS OF PROJECT**

The project involves construction of a new Board Gauge Railway Line from Angul (Budhapank) to Sukinda (Baghuapal), a distance of 104.242 K.M. (as per the sanctioned estimate). The total originally requisitioned private land of 1205.34 acres( finally 1199.08 acres) and 219.145 government land have since been acquired. Stage-II Forest Clearance for 350.570 acres has been obtained from the Ministry of Environment & Forest, Govt. of Odisha. However, as per the revised assessment done by RVNL (EPC Agency), an additional demand of 23.046 acres (pvt. land) and 3.106 (govt. land) in 1st lot and another 30.882 acres (pvt. land) and 24.624 acres (govt. land) have been placed to meet the problem of missing link and ROBs/RUBs. The 1st additional land through normal process has since been completed. To expedite the acquisition the demand for the second lot of additional has been placed for 'Direct Purchase' and the same is under active process. Further, ASRL has approved in their 47th BOD meeting held in December 2019 to go for a chord line (E-Route) connecting Kamalanger and Talcher station to enable the movement of coal traffic over the Angul Sukinda rail-line . For that demand for additional 7.475 private land and 0.440 acre of government land has been requisitioned with state government. Further, due to the introduction of third line and fourth line works by East Coast Railway between Jarapada&Budhapank, Railway have got the alignment of Angul-Sukinda new rail-line shifted at village Khoula and Nigarkanta in Angul district. Consequently, ECoRly have utilized the land acquired for this project line. ECoRly has process to acquire additional 8.820 acre of land for Angul-Sukinda new rail-line. Consequent upon the changes in the scope of work of the project, especially due to introduction of 100 odd number of RUBs, decision to go for a 6.5 km long chord line, higher land costs, re-estimation of the various items of work based on last accepted rates, etc. the project cost has been revised to Rs. 2491.06 Crore (as per RVNL estimation) and the same has been approved by the BoD in their 47<sup>th</sup>BoD meeting. The detailed revised estimate is under preparation by RVNL. In the given situation ASRL will be approaching the Debt Syndicators to increase the sanctioned loan amount.

## **PROJECT EXECUTION**

Although the three major work had commenced from 2011-12 , it was after the sorting out of equity-gap issue of the company ,substantial portion of land acquisition done and forest clearance obtained that the project work picked up the momentum from 2017. All the Road-Bed and Bridge work contracts, P-Way, OHE, Signalling and station buildings works contracts are in operation. Rails, Sleepers and ballasts have been mobilised for about 40-odd km of tracks. The revised date of completion of the project is June 2021. However, the COVID-19. Pandemic has come as a big blow to the project work. Assessment of its impact is being carried out on the project. RVNL (EPC) Agency is working out strategies to expedite and fasten up the project execution.

### **COMPARATIVE POSITION**

		<b>Sep 2019</b>	<b>July 2020</b>
1.	Land Acquisition		
	(a) Pvt. Land	1263.719 acres	1255.739 acres
	(b) Govt. Land	247.253 acres	246.875 acres
2.	Forest Clearance		
	(a) Stage-II (Final) clearance (20.10.2017)	(a) Stage-II (Final) clearance (20.10.2017)	(a) Stage-II (Final) clearance (20.10.2017)
	(b) Tree cutting completed (23.08.18)	(b) Tree cutting completed (23.08.18)	(b) Tree cutting completed (23.08.18)
3.	Progress of work		
(a)	Earthwork (118.79 Lcum)	98 lakh cum (83%)	107.87 lakh cum (90%)
(b)	Blanketing	154 Thousand cum	344 Thousand cum
(c)	Important Major Bridges	(21 No). (45% progress)	(23 No). (55% progress)
(d)	Minor Bridges	Total- 284, 181 completed	Total- 284, 258 completed
(e)	Station Building	20%	48%
(f)	EHT Diversion	60%	68%
(g)	Track – Linking, SKT, OHE works	Tender Finalized	Work commenced from Aug'2019. P way linking will start after monsoon.

## **RESERVES & DIVIDEND**

The company is presently in the process of implementation of the project. The commercial operation has not begun. Therefore, no dividend has been recommended.

### **Disclosure regarding Issue of Equity Shares with Differential Rights– NA**

### **Corporate Social Responsibility (CSR)**

As the provision of Section 135 of the Companies Act, 2013 every company with a net worth of Rs. 500 Crores to constitute a Corporate Social Responsibility (CSR) Committee with a minimum of 3 directors out of which one must be independent Director. It was further informed to the board that the company to spend, in every financial year, at least two percent (2 %) of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR policy.

The 46<sup>th</sup> BOD meeting held on 20/08/2019 in-principle approved that the CSR budget of Rs. 29,00,000/- for FY 2019-20.

**A. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

**Terms of Reference**

- a. Formulate and recommend to the Board a CSR Policy which shall indicate the activity or activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- b. Approve the amount of expenditure to be incurred on CSR activities; and
- c. Monitor and review the CSR Policy of the Company from time to time and make necessary changes

**The Company has in place CSR Policy duly approved by the Board on the recommendation of CSR Committee which lays down the philosophy and approach towards CSR commitment.**

**Composition**

The composition of CSR Committee as on 31<sup>st</sup> March 2020 is mentioned below:

<b>Name of Director</b>	<b>Designation</b>	<b>Status</b>
Shri Guru Charan Ray	Chairman	Independent Director
Shri Manoj Kumar Mishra	Member	Non-Executive Director nominated by Govt. of Odisha
Shri Ajit Kumar Panda	Member	Non-Executive Director nominated by RVNL

\*As Shri Ajit Kumar Panda was inducted as the new Director, he replaced Shri Surendra Kumar, in the CSR Committee.

**Attendance**

No meeting of the CSR Committee was held during the F.Y. 2019-20.

### **Compliance with the applicable provisions and rules therein**

The Company is to spend in every financial year at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR policy. Where the Company fails to spend such amount, the Board shall in its report specify the reasons for not spending the amount.

The 2% of the Average profit is calculated as per the following table:

<b>Sl. No</b>	<b>Year</b>	<b>Amount (Rs.)</b>
1	2016-17	27,16,49,000
2	2017-18	14,29,35,000
3	2018-19	2,01,58,000
	<b>Total Profit</b>	<b>43,47,42,000.00</b>

Average Profit= Rs. 43,47,42,000/ 3 = Rs. 14,49,14,000.00/-

2% of Average profit = Rs. 28,98,280.00/-

Accordingly, the members of the Board approved that the CSR spending may be rounded up to Rs. 29,00,000/- (Rupees Twenty-Nine Lakhs only) for the FY 2019-20.

After the approval of CSR Committee and Board CSR funds of ASRL is being spent through District Administration coming on the alignment of Angul Sukinda new rail-line for last few years. The 46<sup>th</sup> BOD meeting held on 20/08/2019 in-principle approved that the CSR budget of Rs. 29,00,000/- for FY 2019-20. After that the detailed Estimates were called for from the District administration for CSR budget. The detailed Estimates from the district administration were received in 24.01.2020 only. Therefore, the same could not be released in the event of CSR committee and BoD meeting could not be held due to Covid-19.

**Disclosure regarding issue of Employee Stock Options- NA**

**Disclosure regarding issue of Sweat Equity Shares- NA**

**Disclosure regarding risk management Policy- NA**

### **Extract of Annual Return**

The extract of Annual Return, in format MGT -9, for the Financial Year 2019-20 has been enclosed with this report.

### **Particulars of Contracts or Arrangements with Related Parties**

No contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2019-20.

### **Explanation to Auditor's Remarks**

Explanation or comment by the Board on every qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report and/or by the secretarial auditor in the secretarial Audit Report, if any, will be given in the final report.

### **Deposits**

No Deposits have been received by the company during the Financial Year 2019-20.

### **Declaration by Independent Director**

Declaration to affirm the points given u/s 149(6) of CA, 2013

### **Secretarial Audit Report**

Secretarial Audit Report in prescribed format MR 3 given by a PCS is annexed to the Board Report.

### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

No such cases filed during the Financial Year.

### **Internal Control Systems and Its Adequacy**

ASRL's Internal Control Systems are commensurate with its size, scale and complexity and nature of its business activities. Internal audit constitutes an important element in overall internal control systems of the company. The scope of work of the internal audit is well defined and is very exhaustive to cover all crucial functions and businesses of the company. The internal audit in the company is carried out by the independent professional firms appointed for this purpose.

Further, the internal financial controls with reference to the Financial Statements are adequate. The respective department of the company monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems and accounting procedures

Directors' Report

and policies. Based on the report of internal auditors' necessary steps are taken at regular intervals to further strengthen the existing systems and procedures. The significant observations of internal auditors and corrective actions thereon are presented to the Audit Committee of the Board at regular intervals.

### **Particulars of Employees**

The information required in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL, as no employee has drawn remuneration in excess of amount specified in said Rules.

### **Fraud Reporting (Required by Companies Amendment Bill, 2014) - NA**

#### **Statutory Auditors**

M/s Batra & Swain, Chartered Accountants was appointed as the Statutory Auditor of ASRL for the FY 2019-20.

### **PARTICULARS OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The particulars required to be disclosed in respect of the Conservation of Energy and Technology Absorption shall be treated as NIL as the Company is presently neither energy intensive nor technology intensive.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has neither earned nor expended any foreign exchange during the period under review.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of the Company in pursuance of Section 134 (5) of the Companies Act, 2013 as amended hereby confirms that:

- i) in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed and there has been no material departures.
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company

at the end of the financial year 2019-20 and of the profit or loss of the company for that period.

iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) the directors had prepared the Annual Accounts on a Going Concern Basis.

v) the directors have laid down internal financial controls, which are adequate and are operating effectively and

vi) the directors have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### **BOARD OF DIRECTORS**

The Board of Directors of the Company consists of nominees of Ministry of Railways (MoR), Rail Vikas Nigam Limited (RVNL), Jindal Steel & Power Limited (JSPL), Government of Odisha, The Odisha Mining Corporation Limited(OMC)& Container Corporation of India Ltd (CONCOR).

During the year under review, Dr. MEENU DANG having DIN 05171078 and Mr. S A RAHMAN having DIN 08313871 directors retires at the 11<sup>th</sup> Annual General Meeting of the Company and being eligible, offer them for re-appointment.

Since the last Annual General Meeting, **Shri. Saroj Kanta Patra**(Nominee of Rail Vikas Nigam Limited), **Shri Ajit Kumar Panda** (Nominee of Rail Vikas Nigam Limited) and **Shri Kapil Rawat**were appointed by the Board of Directors as an Additional Directorsof the Company. They hold office upto the date of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received notice under section 161 of the Companies Act, 2013, proposing his appointment as Director of the Company, subject to retirement by rotation.

The strength of the Board as on 31<sup>st</sup> March 2020 is of Twelve(12) Directors, details of which are mentioned below:

<b>Sl. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>DIN Number / PAN Number</b>
1	Shri Mukesh Kumar Gupta	Chairman	07677078 ACNPG0282F
2	Shri Dilip Kumar Samantray	Managing Director	05302646 AGCPS1396R
3	Shri Guru Charan Ray	Independent Director	03582789 AAYPR3002P
4	Shri Biranchi Narayan Mishra	Independent Director	08315356 AHDPM4609D
5	Shri Manoj Kumar Mishra, IRTS	Non-Executive Director nominated by Govt. of Odisha	07408164 AFBPM6098L
6	Shri Sushanta Kumar Mohanty, OAS[SAG]	Non-Executive Director nominated by Govt. of Odisha	06853652 AHCPM5430D
7	Shri Saroj Kanta Patra	Non-Executive Director nominated by RVNL	08550153 AHIPP4178R
8	Dr. Meenu Dang	Non-Executive Director nominated by RVNL	05171078 AAIPD4557F
9	Shri Ajit Kumar Panda	Non-Executive Director nominated by RVNL	08221385 AFCPP9085R
10	Shri S A Rahman	Non-Executive Director nominated by CONCOR	08313871 AEOPR2216P
11	Shri Anuj Kumar	Non-Executive Director nominated by CONCOR	07959015 AAMPK9352P
12	Shri Sudhansu Ranjan Mohapatra	Non-Executive Director nominated by OMC	06757772 AAYPM6223D

The Board met Three times during the Financial Year ended 31<sup>st</sup> March, 2020, details of which are as mentioned below:

<b>Sl. No.</b>	<b>Particulars</b>	<b>Date of Meeting</b>
1	45 <sup>st</sup> BoD Meeting	25 <sup>th</sup> May, 2019
2	46 <sup>th</sup> BoD Meeting	20 <sup>th</sup> August, 2019
3	47 <sup>th</sup> BoD Meeting	17 <sup>th</sup> December, 2019



**A. CHANGES IN THE BOARD FROM 01<sup>ST</sup> APRIL 2019 TO 31<sup>ST</sup> MARCH 2020**

Sl. No.	Name of Director	Designation	Date of Appointment	Date of Cessation
1	Shri Kamal Nayan	Non-Executive Director nominated by CONCOR	-	26.09.2019
2	Shri Surendra Kumar	Non-Executive Director nominated by RVNL	....	26.11.2019
3	Shri Saroj Kanta Patra	Non-Executive Director nominated by RVNL	26.09.2019	....
4	Shri Ajit Kumar Panda	Non-Executive Director nominated by RVNL	26.11.2019	....
5	Shri Kapil Rawat	Non-Executive Director nominated by JSPL	....	24.02.2020

**B. DETAILS OF ATTENDANCE OF EACH DIRECTOR IN THE BOARD MEETING DURING THE PERIOD FROM 01<sup>ST</sup> APRIL 2019 TO 31<sup>ST</sup> MARCH 2020**

Sl. No.	Name of Director	Designation	Held during the tenure	Attended
1	Shri Mukesh Kumar Gupta	Chairman	3	3
2	Shri Dilip Kumar Samantray	Managing Director	3	3
3	Shri Guru Charan Ray	Independent Director	3	3
4	Shri Biranchi Narayan Mishra	Independent Director	3	3
5	Shri Manoj Kumar Mishra, IRTS	Non-Executive Director nominated by Govt. of Odisha	3	1
6	Shri Sushanta Kumar Mohanty, OAS[SAG]	Non-Executive Director nominated by Govt. of Odisha	3	3
7	Shri Surendra Kumar	Non-Executive Director nominated by RVNL	2	1
8	Shri Kamal Nayan	Non-Executive Director nominated by RVNL	2	2
9	Dr. Meenu Dang	Non-Executive Director nominated by RVNL	3	1
10	Shri S A Rahman	Non-Executive Director nominated by CONCOR	3	2
11	Shri Anuj Kumar	Non-Executive Director nominated by CONCOR	3	2

Sl. No.	Name of Director	Designation	Held during the tenure	Attended
12	Shri Sudhansu Ranjan Mohapatra	Non-Executive Director nominated by OMC	3	3
13	Shri Kapil Rawat	Non-Executive Director nominated by JSPL	3	0
14	Shri Saroj Kanta Patra	Non-Executive Director nominated by RVNL	1	1
15	Shri Ajit Kumar Panda	Non-Executive Director nominated by RVNL	1	1

### **KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 203 of the Companies Act, 2013, the key managerial personnel of the Company are - Shri Dilip Kumar Samantray - Managing Director, Shri Prafulla Raut - Chief Financial Officer and Shri Srimanta Baboo - Company Secretary. There has been no change in the key managerial personnel during the year.

### **AUDIT COMMITTEE**

The Board of Directors hadre-constituted Audit Committee as per the provision of Section 177 of the Companies Act, 2013 with the following members:

1. Dr. Meenu Dang
2. Mr. Guru Charan Ray,
3. Mr. Biranchi Narayan Mishra

### **AUDITORS AND AUDITOR'S REPORT**

The Company has received a letter from CAG no- CA.V/COY/ CENTRAL GOVERNMENT, ASRL(0)/626 Dated 09.08.2019 intimating the company that M/s Batra Swain& Associates, Chartered Accountants to be the Statutory Auditors of the Company for the Financial Year 2019-20.

The observations given by Auditor in their Report read together with notes to Accounts are self explanatory and hence do not call for any further comments under Section 134.

M/s P. Nayak & Associates, Company Secretaries Firm was appointed as the secretarial Auditor of the company for the Financial Year 2019-20, as required  
Directors' Report

under section 204 of the Companies Act, 2013 and rule there under. The Secretarial Audit Report forms part of the Directors' Report and Annual Report.

### **ACKNOWLEDGEMENTS**

We record our appreciation and thanks to Ministry of Railways (MOR), Government of Orissa, East Coast railway and RVNL for their continued interest and support to the Company and without their support, it would not have been possible to achieve the progress made by the Company.

Further we thanks our Banks (Axis Bank&CANARA Bank), Internal Auditor (M/sTej Raj & Pal),Statutory Auditor (M/s Amitav Mishra & Co.), Secretarial Auditor (M/s P. Nayak & Associates), Accounts Service Provider (UCC & Associates LLP) and Equity participantsfor their deep support and contribution towards the company and expect the same co-operation in the future as well.

For and on behalf of the Board of Directors of  
**ANGUL SUKINDA RAILWAY LIMITED**

<b>Date: 04.09.2020</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Place: Bhubaneswar</b>	<b>D.K. Samantray</b>	<b>Biranchi Narayan Mishra</b>
	<b>(Managing Director)</b>	<b>(Director)</b>
	<b>(DIN- 05302646)</b>	<b>(DIN-08315356)</b>

FormNo.MGT-9

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2020**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: -U45203OR2009PLC010620
- ii) Registration Date: 20/02/2009
- iii) Name of the Company: **Angul Sukinda Railway Limited**
- iv) Category/Sub-Category of the Company : **Company limited by shares / Indian Non-Government Company**
- v) Address of the Registered office and contact details  
Plot No. 7622/4706,♥  
Mauza- Gadakana Press Chhaka  
Bhubaneswar, Orissa-751005, INDIA  
Tele & Fax- 0674-2300842  
Email: [asrlbbs@asrl.in](mailto:asrlbbs@asrl.in), Website: [www.asrl.in](http://www.asrl.in)
- vi) Whether listed company Yes/No
- vii) Name, Address and Contact details of Registrar and Transfer  
Agent: **NSDL Database Management Limited**  
RTA Division  
4<sup>th</sup> Floor, A Wing, Trade World, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel, Mumbai 400 013.  
Tel Nos: 022 4914 2700 Fax : 022 4914 2503

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated: - Not Applicable

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1			
2			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1					
2					

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity).**

*i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year: 01.04.2019				No. of Shares held at the end of the year : 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
(a) Individuals / HUF	-	5	5		5		5		
(b) Central Govt.	-	-	-	-		-	-	-	-
(c) State Govt. (s)	-	12,78,00,000	12,78,00,000	21.30		12,78,00,000	12,78,00,000	21.30	
(d) Bodies Corporate	-	47,21,99,995	47,21,99,995	78.70	31,19,99,995	16,02,00,000	47,21,99,995	78.70	
(e) Banks/FI									
(f) Any Others									
<b>Sub-total (A)</b>		60,00,00,000	60,00,00,000	100	31,20,00,000	28,80,00,000	60,00,00,000	100	
(1)									

<b>(2) Foreign</b>									
(a) Individuals / HUF									
(b) Central Govt.									
(c) State Govt. (s)									
(d) Bodies Corporate									
(e) Banks/FI									
(f) Any Others									
<b>Sub-total (A) (2)</b>									
<b>Total Share holding of Promoter (A) = (A) (1) + (A) (2)</b>		60,00,00,000	60,00,00,000	100	31,20,00,000	28,80,00,000	60,00,00,000	100	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govts. (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
<b>Sub-Total (B) (1):-</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian									
ii) Overseas									

<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh									
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh									
c) Others (specify)									
<b>Sub-Total (B) (2):-</b>									
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>									
<b>C) Share held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A + B + C)</b>		60,00,00,000	60,00,00,000	100	31,20,00,000	28,80,00,000	60,00,00,000	100	

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% of change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Rail Vikas Nigam Limited	188999995	31.50	-	188999995	31.50	-	
2	Jindal Steel & Power Limited	60000000	10.00	-	60000000	10.00	-	
3	SHRI ASHOK KUMAR GANJU	1	0.00	-	0	0.00	-	
4	SHRI ARUN KUMAR	1	0.00	-	1	0.00	-	
5	SHRI S C AGNIHOTRI	1	0.00	-	0	0.00	-	
6	SHRI A K TYAGI	1		-	1		-	
7	SHRI SURENDRA KUMAR	1		-	1		-	
8	SHRI D GHOSH ROY	0	0.00	-	1	0.00	-	
9	SHRI A K CHOUDHARY	0	0.00	-	1	0.00	-	
10	Governor of the State of Odisha	1278000000	21.30	-	1278000000	21.30	-	
11	Odisha Mining Corporation Limited	63000000	10.50	-	63000000	10.50	-	
12	Orissa Industrial Infrastructure Development Corporation	4200000	0.70	-	4200000	0.70	-	
13	Container Corporation Of India Limited	156,000,000	26.00	-	156,000,000	26.00	-	
	<b>Total</b>	<b>600,000,000</b>	<b>100.00</b>		<b>600,000,000</b>	<b>100.00</b>		



**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	60,00,00,000	100.00	60,00,00,000	100
2	----No change During the Year---				
3	At the End of the year	60,00,00,000	100.00	60,00,00,000	100

**(iv) Shareholding Pattern of Top Ten**

**Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
3	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1	0	1	0
2.	Datewise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (Date 26.11.2019 Surendra Kumar ceased to be a Director):	1	0	1	0
3.	At the End of the year	0	0	0	0

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment - Not Applicable**

	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	0		0	
i) Principal Amount	0	Rs. 28,261,00,000		Rs. 28,261,00,000
ii) Interest due but not paid		Rs. 29,05,463		Rs. 29,05,463
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>	0	Rs. 28,290,05,463	0	Rs. 28,290,05,463
<b>Change in Indebtedness during the financial year</b>	0		0	
· Addition		Rs. 163,00,00,000		Rs. 163,00,00,000
· Reduction				

<b>NetChange</b>	0	Rs. 163,00,00,000	0	Rs. 163,00,00,000
<b>Indebtedness at the end of the financial year</b>			0	
i) Principal Amount	0	Rs. 445,61,00,000		Rs. 445,61,00,000
ii) Interest due but not paid		Rs. 20,24,641		Rs. 20,24,641
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>		Rs. 445,81,24,641		Rs. 445,81,24,641

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. no.	Particulars of Remuneration	Sri D K Samantray	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	50,57,268  6,29,554  0	   <b>56,86,822</b>
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	<b>Total (A)</b>		<b>56,86,822</b>
	Ceiling as per the Act		

*B. REMUNERATION TO OTHER DIRECTORS:*

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Sri G C Ray	Sri B N Mishra	
1.	Independent Directors · Fee for attending board committee meetings · Commission	Rs. 90,000/-	Rs. 90,000/-	Rs. 180,000/-
2.	Total(1)	Rs. 90,000/-	Rs. 90,000/-	Rs. 180,000/-
3.	Other Non-Executive Directors · Fee for attending board committee meetings · Commission	-	-	-
4.	Total(2)			-
5.	Total(B) = (1 + 2)	Rs. 90,000/-	Rs. 90,000/-	Rs. 180,000/-
6.	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	12,21,623	16,13,578	28,35,201
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	1,42,437	1,89,594	3,32,031
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>13,64,060</b>	<b>18,03,172</b>	<b>31,67,232</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B.DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors of  
**ANGUL SUKINDA RAILWAY LIMITED**

Date: 04/09/2020  
Place: Bhubaneswar

Sd/-  
D.K. Samantray  
(Managing Director)  
(DIN- 05302646)

Sd/-  
Biranchi Narayan Mishra  
( Director)  
(DIN-08313871)

To,  
The Board of Directors,  
Angul Sukinda Railway Limited  
Plot No-7622/4706,  
Mauza- Gadakana Press Chhaka,  
Bhubaneswar, Odisha-751005

**Sub: Declaration under sub-section (6) of section 149:**

I, **Guru Charan Ray**, hereby certify that I am an Independent (Non-executive) Director of Angul Sukinda Railway Limited and comply with all the criteria of independent director envisaged under the provisions of section 149(6) Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - (iii) holds together with his relatives 2% or more of the total voting power of the company; **or**
  - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Place: Bhubaneswar  
Date : 31/03/2020

Signature: Sd/-  
(Guru Charan Ray)

To,  
The Board of Directors,  
Angul Sukinda Railway Limited  
Plot No-7622/4706,  
Mauza- Gadakana Press Chhaka,  
Bhubaneswar, Odisha-751005

**Sub: Declaration under sub-section (6) of section 149;**

I, **Biranchi Narayan Mishra**, hereby certify that I am an Independent (Non-executive) Director of Angul Sukinda Railway Limited and comply with all the criteria of independent director envisaged under the provisions of section 149(6) Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives—
  - (iii) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
  - (iv) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - (iii) holds together with his relatives 2% or more of the total voting power of the company; **or**
  - (v) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Place: Bhubaneswar  
Date : 31/03/2020

Signature: Sd/-  
(Biranchi Narayan Mishra)



SECRETARIAL AUDIT REPORT  
OF  
ANGUL SUKINDA RAILWAY LIMITED  
FOR  
THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

P NAYAK & ASSOCIATES  
COMPANY SECRETARIES

Plot No-84, Bhagabanpur Industrial Estate, Bhubaneswar, Odisha-751019  
Mob- 09338843388, 09040203020, E-mail: [nayakfcs@gmail.com](mailto:nayakfcs@gmail.com)

# P NAYAK & ASSOCIATES

## COMPANY SECRETARIES

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### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment of Managerial Personnel) Rules, 2014)

To

The Members,  
Angul Sukinda Railway Limited  
Plot No. 7622/4706, Mauza- Gadakana Press Chhaka,  
Bhubaneswar, Odisha-751005  
CIN-U45203OR2009PLC010620

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Angul Sukinda Railway Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Angul Sukinda Railway Limited's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) Following other laws as are specifically applicable to the Company:
  - a. Employees PF & Misc. Provisions Act, 1954
  - b. Payment of Gratuity Act
  - c. Industrial Disputes Act, 1947
  - d. Contract Labour (Regulations and Abolition) Act, 1970.
  - e. Payment of Bonus Act, 1965.
  - f. Goods & Service Tax Act, 2017,
  - g. Orissa State Tax on Professions, Trades, Callings and Employments Act 2000/ Orissa State Tax On Professions. Trades. Callings And Employments Rules, 2000.



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Plot No-84, Bhagabanpur Industrial Estate, Bhubaneswar, Odisha-751019  
Mob- 09338843388, E-mail: [nayakfcs@gmail.com](mailto:nayakfcs@gmail.com)



We have also examined compliance with the applicable clauses of the Secretarial Standards (though not mandatory during the year) issued by the Institute of Company Secretaries of India, under Section 118 (10) of the Companies Act, 2013 to the extent observed by the Company.

The management has represented and we have also checked that the Company being an unlisted Public Company the following Acts, Regulations, Guidelines, Agreements etc. as specified in the prescribed MR-3 Form were not applicable to the Company:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registers to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and;
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (iii) Listing Agreements with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice was given to all directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further the Company had given notice to hold its Meeting of Board of Directors on 21.03.2020 which could not be held due to the lockdown announced by the Government of India.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of minutes.



We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that there are no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place : Bhubaneswar  
Date : 25.08.2020

For P Nayak & Associates  
Company Secretaries



(CS Priyadarshi Nayak)  
FCS-6455, C.P. No-7042  
UDIN- F006455B000614821

This is to be read with our letter of even date which is annexed as Enclosure-A and Forms an integral part of this report.

# P NAYAK & ASSOCIATES

## COMPANY SECRETARIES

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Enclosure-A

To  
The Members,  
Angul Sukinda Railway Limited  
Plot No. 7622/4706, Mauza- Gadakana Press Chhaka,  
Bhubaneswar, Odisha-751005  
CIN-U45203OR2009PLC010620

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, regulations, guidelines, standards and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Bhubaneswar  
Date : 25.08.2020

For P Nayak & Associates  
Company Secretaries

(CS Priyadarshi Nayak)  
FCS-6455, C.P. No-7042  
UDIN- F006455B000614821



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Plot No-84, Bhagabanpur Industrial Estate, Bhubaneswar, Odisha-751019  
Mob- 09338843388, E-mail: [nayakfcs@gmail.com](mailto:nayakfcs@gmail.com)

# **FINANCIAL STATEMENT**

## **FOR FY 2019-20**



**ANGUL SUKINDA RAILWAY LIMITED**  
**BALANCE SHEET As at 31st March 2020**

(₹ in Lakhs)

Particulars		Note No.	As at 31st March 2020	As at 31st March 2019
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment		3	119.05	21.63
(b) Other Intangible assets		4	0.15	0.10
(c) Intangibles assets under development		5	98,162.31	67,854.03
<b>(d) Financial Assets</b>				
(i) Loans		6.1	5.41	1.16
(i) Others		6.2	1,636.70	1,412.00
(e) Deferred tax assets(net)		7	-	-
(f) Other non-current assets		8	9,757.33	14,093.08
<b>2 Current assets</b>				
<b>(a) Financial Assets</b>				
(i) Cash and cash equivalents		9.1	4,970.59	3,530.77
(ii) Bank balances other than (i) above		9.2	678.71	10,155.00
(iii) Loans		9.3	3.74	1.53
(iv) Others		9.4	1.27	1.57
(b) Current Tax Assets (Net)		10	2.33	7.91
(c) Other current assets		11	5,966.84	2,982.03
<b>Total Assets</b>			<b>121,304.43</b>	<b>100,060.81</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital		12	60,000.00	60,000.00
(b) Other Equity		13	12,468.94	8,181.44
<b>2 Liabilities</b>				
<b>Non current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings		14.1	44,561.00	28,261.00
(ii) Other financial liabilities		14.2	79.71	-
(b) Provisions		15	36.59	-
(b) Deferred tax liabilities		7	178.37	356.74
<b>3 Current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Other financial liabilities		16.1	3,928.69	3,259.41
(b) Other current liabilities		17	11.80	2.22
(c) Provisions		18	39.33	-
<b>Total Equity and Liabilities</b>			<b>121,304.43</b>	<b>100,060.81</b>
<b>III. See accompanying notes to the financial statements</b>		1 to 43		

As per our Report of even date attached

For Batra Swain & Associates  
Chartered Accountants  
FRN:- 322050E

  
CA. A N Mohapatra  
Partner

Membership No. 066784

UDIN-20066784AAAACS4909


Place: BHUBANESWAR

Date: 24/07/2020




For and on behalf of the Board of Directors of  
Angul Sukinda Railway Limited

  
B. N. Mishra  
Director  
DIN No. 08315356

  
D. K. Samantray  
Managing Director  
DIN No. 05302646

  
P. Ray  
Prafulla Raut  
Chief Financial Officer

  
Srimanta Baboo  
Company Secretary

**ANGUL SUKINDA RAILWAY LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
For the year ended 31st March 2020

(₹ in Lakhs)

Particulars	Note No.	Figures for the Year Ended 31st March 2020	Figures for the Year Ended 31st March 2019
<b>Revenue:</b>			
I Revenue from Operations	19	30,308.26	23,821.67
II Other Income	20	119.40	405.59
<b>III Total Income (I+II)</b>		<b>30,427.66</b>	<b>24,227.26</b>
<b>Expenses:</b>			
Other operating cost	21	30,308.26	23,821.67
Employee benefits expense	22	61.89	43.46
Finance costs	23	9.88	0.99
Depreciation and amortization expense	24	28.85	7.31
Other expenses	25	26.35	60.98
<b>IV Total Expenses (IV)</b>		<b>30,435.22</b>	<b>23,934.41</b>
V Profit before exceptional items and tax (III-IV)		(7.57)	292.85
VI Exceptional Items		-	-
VII Profit before tax (V-VI)		(7.57)	292.85
VIII Tax expense:			
(1) Current tax			
-For the year	26	143.30	241.48
(2) Deferred tax(net)	26	(178.37)	(173.23)
<b>IX Profit for the period from continuing operations (VII-VIII)</b>		<b>27.50</b>	<b>224.60</b>
X Profit from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit from discontinued operations (after tax)( X-XI)		-	-
<b>XIII Profit for the period (IX + XII)</b>		<b>27.50</b>	<b>224.60</b>
XIV <b>Other Comprehensive Income</b>			
A. (i) Items that will not be classified to profit & loss		-	-
(ii) Income Tax relating to Items that will not be classified to profit & loss		-	-
B. (i) Items that will be classified to profit & loss		-	-
(ii) Income Tax relating to Items that will be classified to profit & loss		-	-
<b>XV Total Comprehensive Income for the period (XIII +XIV)</b>		<b>27.50</b>	<b>224.60</b>
(Comprehensive profit and other comprehensive income for the period)			
XVI Earnings per equity share: (For continuing operation)			
(1) Basic	27	0.00	0.04
(2) Diluted	27	0.00	0.04
XVII Earnings per equity share: (For discontinuing operation)			
(1) Basic	27	-	-
(2) Diluted	27	-	-
XVIII Earnings per equity share: (For discontinued and continuing Operation)			
(1) Basic	27	0.00	0.04
(2) Diluted	27	0.00	0.04

As per our Report of even date attached

For Batra Swain & Associates  
Chartered Accountants  
FRN:- 322050E

For and on behalf of the Board of Directors of  
Angul Sukinda Railway Limited

CA. A N Mohapatra  
Partner  
Membership No. 066784

B. N. Mishra  
Director  
DIN No. 08315356

D. K. Samantray  
Managing Director  
DIN No. 05702646

Place: BHUBANESWAR  
Date: 24/07/2020

P. Raut  
Prafulla Raut  
Chief Financial Officer

Srimanta Baboo  
Company Secretary





**ANGUL SUKINDA RAILWAY LIMITED**  
**CASH FLOW STATEMENT**  
For the year ended 31st March 2020

(₹ in Lakhs)

Particulars		As at 31st March 2020	As at 31st March 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before taxation		-7.57	292.85
Adjustment for :			
Depreciation, amortization and impairment		28.85	7.31
Loss/(profit) on sale of assets		-2.70	0.00
Unwinding of discount-receivable from SCR		-112.30	-91.19
Unwinding of discount-Security Deposit		-0.10	-0.08
Expense of reversal of discount on Security Deposit		0.09	0.08
Interest Income		-	-114.32
Interest on lease liability		9.88	-
<b>Operating Profit before working capital changes</b>	<b>(1)</b>	<b>-83.85</b>	<b>-105.26</b>
Adjustment for :			
Decrease / (Increase) in Financial Assets-non current		-116.55	(225.21)
Decrease / (Increase) in Other non current assets		-2.15	0.08
Decrease / (Increase) in Other bank balance		9,476.29	45.00
Decrease / (Increase) in Other financial assets-Current		-1.91	262.75
Decrease / (Increase) in Other current assets		-2,980.34	(1832.39)
(Decrease) / Increase in Other financial Liabilities- Current		669.28	142.73
(Decrease) / Increase in Other current liabilities		9.58	0.19
(Decrease) / Increase in Provisions-current		39.33	-
(Decrease) / Increase in Provisions-Non current		36.58	-
(Decrease) / Increase in Current Tax Assets		-7.90	39.84
	<b>(2)</b>	<b>7,122.21</b>	<b>-1,567.01</b>
<b>Cash generated from operation</b>	<b>(1+2)</b>	<b>7,038.37</b>	<b>-1,672.17</b>
Income tax paid		-145.63	-249.39
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>6,892.74</b>	<b>(1,921.66)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital Expenditure on property plant and equipment and intangible assets		-24.48	-10.38
Sale of Fixed Assets		0.11	0.07
Capital Expenditure on capital advances		4,345.89	-1,986.91
Capital Expenditure on intangible under development		-10,308.26	-21,821.67
Interest Income		-	314.32
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>-25,986.74</b>	<b>-25,504.57</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan received during the year		16,300.00	28,261.00
Share application money received during the year		4,260.00	-
Loans payment		-26.18	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>20,533.82</b>	<b>28,261.00</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(A+B+C)</b>	<b>1,439.82</b>	<b>834.77</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>			
Balances with banks-Current Account	<b>(E)</b>	3,530.77	2,696.00
Deposits with Bank with less than 3 months maturity		-	-
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>			
Balances with banks-Current Account	<b>(F)</b>	4,970.59	3,530.77
Deposits with Bank with less than 3 months maturity		-	-
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>(F - E)</b>	<b>1,439.82</b>	<b>834.77</b>

The company adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. Detail of the same are given below:-

(ii) **Reconciliation of Liabilities arising from financing activities as at 31st March 2020** (₹ in Lakhs)

Particulars	Lease Liabilities	Borrowings
Balance as at 1st April, 2019	-	28,261.00
Adoption of Ind AS-116	104.04	-
<b>Cash flows:-</b>		
- Repayment	16.29	-
- Proceeds	-	16,300.00
<b>Non-Cash:-</b>		
- Fair Value	9.88	-
- Additions to right of use assets in exchange for increased lease liabilities	-	-
<b>Balance as at 31st March, 2020</b>	<b>97.63</b>	<b>44,561.00</b>

**Reconciliation of Liabilities arising from financing activities as at 31st March 2019** (₹ in Lakhs)

Particulars	Borrowings
Balance as at 1st April, 2018	-
<b>Cash flows:-</b>	
- Repayment	-
- Proceeds	28,261.00
<b>Non-Cash:-</b>	
- Fair Value	-
- Additions to right of use assets in exchange for increased lease liabilities	-
<b>Balance as at 31st March, 2020</b>	<b>28,261.00</b>

As per our Report of even date attached

For Batra Swain & Associates  
Chartered Accountants  
FRN:- 22050E

CA. A. N. Mohapatra  
Partner  
Membership No. 866784

Place: Bhubaneswar

Date: 24/07/2020

For and on behalf of the Board of Directors of  
Angul Sukinda Railway Limited

B. N. Mishra  
Director  
DIN No. 08315356  
P. Roy  
Prafulla Rout  
Chief Financial Officer

D. K. Sarangi  
Managing Director  
DIN No. 05702646  
Srimanta Ramesh  
Company Secretary



STATEMENT OF CHANGES IN EQUITY

ANGUL SUKINDA RAILWAY LIMITED

Statement of Changes in Equity for the period ended 31st March 2020

A. Equity share capital


(₹ in Lakhs)

Particulars	Number of Shares	Amount
Balance at 1st April, 2019	6,000.00	60,000.00
Changes in equity share capital during the year		
(a) issue of equity shares capital during the year	-	-
Balance at 31st March, 2020	6,000.00	60,000.00


B. Other Equity

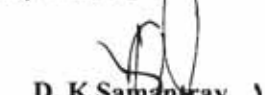
Particulars	Reserve & Surplus			Total
	Capital Reserve	Retained Earnings	Share application money pending allotment	
Balance at the beginning of the reporting period	1,000.00	7,181.44	-	8,181.44
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	1,000.00	7,181.44	-	8,181.44
Profit for the year	-	27.50	-	27.50
Other Comprehensive Income for the year (net of income tax)	-	-	-	-
Total Comprehensive Income for the year	-	27.50	-	27.50
Dividends paid	-	-	-	-
Share application money received during the year	-	-	4,260.00	4,260.00
Balance at the end of the reporting period	1,000.00	7,208.94	4,260.00	12,468.94

For Batra Swain & Associates  
Chartered Accountants  
FRN:- 322050E

  
CA. A N Mohapatra  
Partner  
Membership No. 066784

For and on behalf of the Board of Directors of  
Angul Sukinda Railway Limited

  
B. N. Mishra  
Director  
DIN No. 08315356

  
D. K Samantray  
Managing Director  
DIN No. 05302646

Place: Bhubaneswar

Date: 24/07/2020

  
P. Raut  
Prafulla Raut  
Chief Financial Officer

  
Srimanta Baboo  
Company Secretary



STATEMENT OF CHANGES IN EQUITY

ANGUL SUKINDA RAILWAY LIMITED

Statement of Changes in Equity for the period ended 31st March 2019

A. Equity share capital

(₹ in Lakhs)

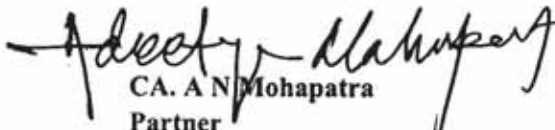
Particulars	Number of Shares	Amount
Balance at 1st April, 2018	6,000.00	60,000.00
Changes in equity share capital during the year		
(a) issue of equity shares capital during the year	-	-
Balance at 31st March, 2019	6,000.00	60,000.00

B. Other Equity

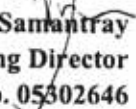
Particulars	Reserve & Surplus		Total
	Capital Reserve	Retained Earnings	
Balance at the beginning of the reporting period	1,000.00	6,956.84	7,956.84
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting period	1,000.00	6,956.84	7,956.84
Profit for the year	-	224.60	224.60
Other Comprehensive Income for the year (net of income tax)	-	-	-
Total Comprehensive Income for the year	-	224.60	224.60
Dividends paid	-	-	-
Balance at the end of the reporting period	1,000.00	7,181.44	8,181.44

For Batra Swain & Associates  
Chartered Accountants  
FRN:- 322050E

For and on behalf of the Board of Directors of  
Angul Sukinda Railway Limited

  
CA. A N Mohapatra  
Partner  
Membership No. 066784


  
B. N. Mishra  
Director  
DIN No. 08315356

  
D. K Samantray  
Managing Director  
DIN No. 05302646

Place: Bhubaneswar

Date : 24/07/2020

  
P. Raut  
Chief Financial Officer

  
Srimanta Baboo  
Company Secretary



S.

**ANGUL SUKINDA RAILWAY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**1 General Information**

Angul Sukinda Railway Limited is a public limited company domiciled and was incorporated in India on February 20, 2009 as a Special Purpose Vehicle for the construction of new railway line from Angul to Sukinda on East Coast Railways. The Company is a Joint Venture of Rail Vikas Nigam Limited (RVNL), Govt of Odisha (GoO), Odisha Mining corporation limited (OMC), Container corporation of India limited (Concor), Odisha Industrial Infrastructure Development Corporation (IDCO) and Jindal Steel and Power Limited (JSPL). The registered office of the company is located at Plot No. 7622/4706 Mauza- Gadakana Press Chhaka Bhubaneswar Odisha 751005. As per the Shareholders' agreement dated May 27, 2009, the construction of the project will be undertaken by Rail Vikas Nigam Limited (RVNL) in terms of Construction Agreement with the company.

The Company has entered into a Concession Agreement with Ministry of Railways (MoR), Government of India dated 14th May, 2010 in terms of which the Ministry of Railways (Concessions Authority) has authorized the Company (Concessionaire) to develop, finance, design, engineer, procure, construct, operate and maintain the Project Railway and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. Further, in terms of the said agreement, the East Coast Railway (ECOR) will lease the existing Land to the company for the purpose of the Project, lease rental for which shall be as per the extant policy of the MoR as revised from time to time and the new land acquired by it in lieu of a nominal Annual Lease rental of ₹ 1 as referred to in the Lease Deed forming part of the Concession Agreement. Further Land acquisition will be done by ASRL (through ECR) and will remain the property of ASRL till the expiry of 30 year lease period or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway.

**2 Summary of significant accounting policies**

**2.1 Basis of preparation**

The financial statements as at and for the year ended 31st March 2020 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 as companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

**2.2 Basis of measurement**

The financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

- i. Certain financial assets and liabilities measured at fair value.

**2.3 Use of estimates and judgment**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes estimated useful life of property, plant and equipment and Intangible Assets. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs upto two decimals except where otherwise stated.

**2.4 Statement of Cash flow**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of the Statement of cash flow, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand are considered part of the Company's cash management system.

**2.5 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (i.e. Functional Currency). The financial statements are presented in Indian rupees, which is the functional as well as presentation currency of the company.



## 2.6 Property, plant and equipment

- a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:
- Cost directly attributable to the acquisition of the assets
  - Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met
- b) Cost of replacement, major inspection, repair of significant parts are capitalized if the recognition criteria are met.
- c) Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

### Depreciation

- (a) Depreciation on Property, plant and Equipment is provided on written down value method (WDV) over the estimated useful life of the assets as specified in Schedule II of the Companies Act, 2013.
- (b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Particulars	Useful Life
Plant and Machinery	15
Computers	3
Mobile handsets	5
Office Equipment	5
Furniture and fixtures	10
Vehicles	8

- (c) Leasehold improvements are amortized over the period of lease from the month in which such improvements are capitalized or over the useful life as computed under the Companies Act 2013.
- (d) Depreciation methods, useful lives and residual values are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

## 2.7 Intangible Assets

### a) Other Than Freight Sharing Right

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

#### Amortisation

Computer Software is amortised over a period of three years on pro-rata basis.

### b) Freight Sharing Right (Railway Line under SCA)

The company recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, less accumulated amortization and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period from where the company is able to charge the public for the use of the infrastructure to the end of the concession period (i.e. 30 year of operation or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier.).

Freight sharing right is amortised using the straight line method on prorata basis from the date of addition or from the date when the right brought in to service to the expiry of 30 year of operation or Net present Value (NPV) payback equal to equity investment @14% whichever is earlier.

Amortisation methods and useful lives are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.

## 2.8 Intangible Assets under development

### Freight sharing right under development

Expenditure which can be directly identifiable related to the service concession arrangements are recognised as freight sharing right under development. Indirect expenditure in the nature of employee benefits and other expenses has been charged to project to the extent of directly attributable to the project.

The following amounts are reduced from the intangible under development:

- Interest earned on the Mobilization Advances given in respect of the project execution.
- Amount received on sale of tender.



*P. Roy* *Saboo*



## 2.9 Impairment of non-financial assets

In accordance with Indian Accounting Standard-36 "Impairment of Assets" (Ind AS-36), the carrying amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. On the basis of review, the management is of the opinion that the economic performance of Fixed Assets of the Company is not worse than expected and therefore there is no impairment of any assets as on the Balance Sheet date.

## 2.10 Revenue Recognition

### a) Revenue from Contracts with Customers

Revenue from contract with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

### Construction Contract Revenue under SCA

Revenue related to construction or upgrade services under a service concession arrangement is recognized over time based on the stage of completion of the work performed, when the outcome of construction contract can be measured reliably and where the outcome of construction contract can not be measured reliably revenue is recognised only to the extent of contract cost incurred that is probable will be recoverable. Performance obligation is measured by the company on the basis of inputs to the satisfaction of a performance obligation ( i.e Input Method).

### b) Other Revenue Recognition

- (i) Interest income on FDR is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.
- (ii) Other items of Income are accounted for as and when right to receive is established.

## 2.11 Employee Benefits

### (a) Short Term Employee Benefits

- (i) The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognized as an expense during the period when the employees render the services.

### (b) Post-employment benefits & other Long Term Employee Benefits:

- i. Retirement benefits in the form of provident fund are defined contribution schemes. The contributions to the provident fund are charged to the statement to the Profit and loss for the year when the contributions are due.
- ii The Company's obligation towards gratuity, leave encashment to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. The cost of providing benefit is determined on the basis of actuarial valuation using the projected unit credit method at each year-end and is charged to the Statement of Profit & Loss.
- iii. Actuarial gains or losses are recognized in other comprehensive income.
- v. Re-measurements recognised in other comprehensive income comprise of actuarial gains or losses that are not reclassified to profit or loss from other comprehensive income in subsequent periods.

## 2.12 Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of such assets till such time the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowings costs are recognized in the statement of Profit and Loss in the period in which they are incurred.

## 2.13 Current and deferred tax

### a) Current Income tax

Tax on Income is determined on the basis of taxable Income and tax credits computed in accordance with the provisions of the Income Tax Act 1961. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, liability for additional taxes if any, is provided / paid as and when assessments are completed. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

### b) Deferred tax

Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

### c) Minimum Alternative Tax credit

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is probable that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a probable to the effect that the Company will pay normal income tax during the specified period.



*[Handwritten signature]* P. Roy. *[Handwritten signature]*

## 2.14 Taxes on Income and interest, penalty, claims and debit notes

Tax/Interest/Fines/penalties on account of late deposit and non-deduction of income tax deducted at source and other statutory dues are accounted for in the year in which they are levied by the statutory authorities.

Claims are accounted for in the year in which they are received/finally settled.

Debit notes/adjustments in respect of deductions are accounted for in the year in which they are received/settled.

## 2.15 Provisions, Contingent Liabilities and contingent Assets

a) Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are reviewed at each Balance Sheet date.

Provision which expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

b) Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(i) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

(ii) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

(iii) Contingent Assets is disclosed where an inflow of economic benefits is probable.

## 2.16 Leasing

### a) Company as a lessee

(i) The Company Recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

(ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use-asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

(iv) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Property plant and equipment" and lease liabilities in "other financial liabilities" in the Balance Sheet.

(vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### (b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Other Income".

## 2.17 Earning Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

## 2.18 Non-derivative financial assets

The company recognizes a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value on initial recognition and classified as loans and receivables. Subsequent to initial recognition, the financial assets are measured at amortized cost.

If the company is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognized initially at the fair value of the consideration received or receivable.



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R. Roy. *[Handwritten signature]*



## 2.19 Fair Value Measurement

Company measures financial instruments at fair value at each reporting 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 to 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. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

- 1 -Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 2 -Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- 3 -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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

The fair value of an intangible asset received as consideration for providing construction services in a service concession arrangement is estimated by reference to the fair value of the construction services provided. When the company receives an intangible asset and a financial asset as consideration for providing construction services in a service concession arrangement, the company estimates the fair value of intangible assets as the difference between the fair value of the construction services provided and the fair value of the financial asset received.

## 2.20 Dividend to equity holders

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

## 2.21 Financial instruments:-

### (i) Initial recognition and measurement

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

### (ii) Subsequent measurement

#### Financial Assets

financial assets are classified in following categories:

#### a. 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 on the principal amount outstanding.

Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.



*P. Roy*



**b. At Fair Value Through Other Comprehensive Income**

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

**c. At Fair Value Through Profit and Loss**

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

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Financial liabilities**

**a. Financial liabilities at Amortised Cost**

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**b. Financial liabilities at FVTPL**

The company has not designated any financial liabilities at FVTPL.

**(iii) Derecognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

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

**(iv) Impairment of financial assets:**

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

**2.22 Non-current Assets held for Sale**

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.


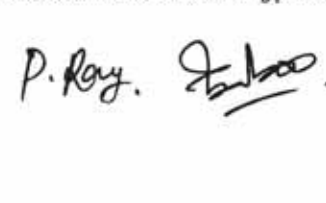
If the criteria stated by IND AS105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified.

**2.23 Material Events**

Material events occurring after the Balance Sheet date are taken into cognizance.

**2.24 Credit balances lying in the Accounts including security and EMD for non-operative parties for more than 03 years is written back.**

**2.25 The Accounting policies that are currently not relevant to the company have not been disclosed. When such accounting policies become relevant, the same shall be disclosed.**

 P. Ray. 



**ANGUL SUKINDA RAILWAY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**3 Property, Plant and Equipment**

(₹ In Lakhs)

Particulars	Car	Computer	Furniture & Fixtures	Office Equipment	Lease hold Improvements	Building	Total
<b>Cost or deemed cost</b>							
As at 1st April 2018	11.74	9.60	16.55	14.85	24.82	-	77.56
Additions	-	0.74	1.26	8.38	-	-	10.38
Disposals/Adjustments	-	0.00	-	-1.35	-	-	-1.35
As at 31st March 2019	11.74	10.34	17.81	21.88	24.82	-	86.59
Adjustment on transition of Ind AS-116						104.04	104.04
Value as at 1st April 2019	11.74	10.34	17.81	21.88	24.82	104.04	190.63
Additions	21.23	0.48	0.45	2.23	-	-	24.38
Disposals/Adjustments	-11.74	-	-	-1.84	-	-	-13.59
As at 31st March 2020	21.23	10.82	18.26	22.26	24.82	104.04	201.43
<b>Depreciation and impairment</b>							
As at 1st April 2018	10.27	7.36	10.95	11.45	18.97	-	59.00
Depreciation charged for the year	0.48	1.66	1.51	1.60	1.90	-	7.15
Disposals/Adjustments	-	-	-	-1.19	0.00	-	-1.19
As at 31st March 2019	10.75	9.02	12.46	11.86	20.87	-	64.96
Depreciation charged for the year	5.43	0.69	1.41	4.30	1.90	15.07	28.80
Disposals/Adjustments	-10.84	0.00	0.00	-0.54	0.00	-	-11.38
As at 31st March 2020	5.34	9.71	13.87	15.62	22.77	15.07	82.38
<b>Net book value</b>							
As at 31st March 2020	15.88	1.11	4.39	6.64	2.05	88.97	119.05
As at 31st March 2019	0.99	1.32	5.35	10.02	3.95	-	21.63

- 3.1 Depreciation on Property, Plant and Equipment included in Note -24 Depreciation and amortization expense".  
 3.2 Building includes the amount of right of use assets of building taken on operating leases recognizes as per the requirement of the Ind AS-116.for detail refer Note 29.

**4 Other Intangible assets**

(₹ in Lakhs)

Particulars	Software	Total
<b>Cost or deemed cost</b>		
As at 1st April 2018	1.19	1.19
Addition during the year	-	-
Adjustment	-	-
As at 31st March 2019	1.19	1.19
Addition during the year	0.10	0.10
Adjustment	-	-
As at 31st March 2020	1.29	1.29
<b>Amortisation and Impairment</b>		
As at 1st April 2018	0.93	0.93
Amortisation for the year	0.16	0.16
Impairment	-	-
Disposals/Adjustments	-	-
As at 31st March 2019	1.09	1.09
Amortisation for the year	0.05	0.05
Impairment	-	-
Disposals/Adjustments	-	-
As at 31st March 2020	1.14	1.14
<b>Net book Value</b>		
As at 31st March 2020	0.15	0.15
As at 31st March 2019	0.10	0.10

- 4.1 Amortisation on Intangible Assets included in Note-24 Depreciation and amortization expense".



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## 5 Intangible assets under development

(₹ in Lakhs)

Particulars	As at 1st April 2018	Additions	(Disposals)	As at 31st March 2019	Additions	(Disposals)/Adjustments	As at 31st March 2020
<b>Revenue sharing right under development</b>							
<b>A. Direct project expenditure</b>							
<b>Civil work</b>							
Preliminary project expenditure	175.70	30.89	-	206.59	-	-	206.59
Fair value adjustment of land (Note 5.1)	10,493.76	1,161.66	-	11,655.43	1,531.43	-	13,186.86
Bridge work	17,336.62	10,301.34	-	27,637.96	9,298.61	-	36,936.57
Detailed design egg, (CIVIL)	45.80	28.75	-	74.55	2.33	-	76.88
Formation	11,098.96	4,339.91	-	15,438.87	5,355.82	-	20,794.69
Permanent way	61.12	376.05	-	437.17	232.40	-	669.57
Station & building	18.03	330.95	-	348.98	1,329.07	-	1,678.05
Site facilities	-	-	-	-	-	-	-
Direction & general charges (Note 5.2)	3,251.23	1,692.32	-	4,943.55	1,774.27	9.78	6,708.05
Departmental charges	2,020.41	1,051.66	-	3,072.07	1,112.36	6.08	4,178.36
Civil works	-	144.92	-	144.92	74.80	-	219.72
PVC (Price variance)	-	2,508.46	-	2,508.46	3,825.02	111.73	6,221.75
<b>Electrical Work</b>							
Overhead electric equipment	48.81	-	-	48.81	-	-	48.81
General electrification	372.49	-	-	372.49	-	-	372.49
Direction & general charges (Note 5.2)	21.51	-	-	21.51	74.27	-	95.78
Departmental charges	13.36	-	-	13.36	42.44	-	55.80
Plant & equipment-electrical dept	-	1,275.58	-	1,275.58	848.82	-	2,124.40
<b>Signaling &amp; Telecom</b>							
Detailed design engineering	10.11	3.99	-	14.10	1,386.04	-	1,400.14
Direction & general charges (Note 5.2)	0.88	-	-	0.88	121.28	-	122.16
Departmental charges	0.55	-	-	0.55	69.30	-	69.85
<b>Project Survey Expenditure</b>	3.71	-	-	3.71	-	-	3.71
<b>Finance Cost</b>							
Interest of RVNL	11.55	-	-	11.55	-	-	11.55
Other finance charges and bank interest	-	413.28	-	413.28	3,467.24	-	3,880.52
<b>Total</b>	<b>45,029.06</b>	<b>23,659.76</b>	<b>-</b>	<b>68,688.82</b>	<b>30,545.50</b>	<b>127.58</b>	<b>99,106.74</b>
Less: Sale of tender	(3.85)	-	-	(3.85)	-	-	-3.85
Less: Interest on mobilization advance	(543.48)	(67.41)	-	(610.89)	(46.79)	-	(657.68)
Less: Interest on fixed/flexi deposits	(1,383.38)	-	-	(1,383.38)	(327.58)	-	(-1,710.96)
	<b>43,098.35</b>	<b>23,592.35</b>	<b>-</b>	<b>66,690.70</b>	<b>30,171.13</b>	<b>127.58</b>	<b>96,734.25</b>
<b>B. Incidental Expenditure During Construction (IEDC)</b>	<b>934.02</b>	<b>229.31</b>	<b>-</b>	<b>1,163.33</b>	<b>264.71</b>	<b>-</b>	<b>1,428.04</b>
<b>Total (A+B)</b>	<b>44,032.37</b>	<b>23,821.67</b>	<b>-</b>	<b>67,854.03</b>	<b>30,435.84</b>	<b>127.58</b>	<b>98,162.31</b>



A. Roy. J. B. S.



5.1 Leasehold Land under the head Intangibles under development represents the difference between payments made during the year for land acquisition through East Coast Railway amounts to 1643.82/- Lakhs (' 1386.78/- Lakhs in 31st March 2019) and receivable from ECoR under SCA measured at fair value recognised as financial assets during the year ended 31st March 2020 amounts to 112.40/- Lakhs (' 225.12/- Lakhs/- in 31st March 2019). The title of land acquired / to be acquired will however continue to remain with East Coast Railway and the company hold the leasehold rights on the Land till the period of Concession Agreement i.e., 30 years or on to attainment of the Net Present Value (NPV) payback equal to equity investment @14% whichever is earlier . In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be repossessed by railway.

The Leasehold Land acquired by ASRL (through ECoR) will remain the property of ASRL till the period of Concession Agreement and thereafter will revert to ECoR since, the value of land will be recovered from ECoR.

5.2 Construction agreement has been signed by RVNL on 24th April 2015, Direction & General (D&G) and Departmental charges have been charged by RVNL as per the terms of agreement.



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**ANGUL SUKINDA RAILWAY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**6 Financial Assets-Non Current**

**6.1 Loans** (₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>At Amortised cost</b>		
<b>(i) Security deposits</b>		
Considered good-Unsecured	1.35	1.16
<b>(ii) Staff loans</b>		
Considered good-Unsecured	4.06	-
<b>Total</b>	<b>5.41</b>	<b>1.16</b>

**6.2 Others** (₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>At Amortised cost</b>		
Receivable from East Coast Railways under SCA (Value of land) (Refer Note -31)	1,636.70	1,412.00
<b>Total</b>	<b>1,636.70</b>	<b>1,412.00</b>

**7 Deferred tax assets/ (Deferred tax Liabilities)** (₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Deferred tax liability on</b>		
Ind-AS transition adjustment	(178.37)	(356.74)
<b>Total</b>	<b>(178.37)</b>	<b>(356.74)</b>

**Movement in deferred tax (liabilities)/assets**

Particulars	Ind-AS transition adjustment	Total
<b>Opening balance as at 1st April 2018</b>	(529.97)	(529.97)
<b>Charged/(credited) during 2018-19</b>		
To Profit & Loss	173.23	173.23
To other comprehensive income	-	-
<b>Closing balance as at 31st March 2019</b>	<b>(356.74)</b>	<b>(356.74)</b>
<b>Charged/(credited) during 2019-20</b>		
To Profit & Loss	178.37	178.37
To other comprehensive income	-	-
<b>Closing balance as at 31st March 2020</b>	<b>(178.37)</b>	<b>(178.37)</b>



*P. Rany. Sarkar*

## 8 Other non-current assets

(₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>(a) Capital Advances</b>		
<b>(i) Advance towards Project Expenditure</b>		
Advance for Land	66.24	51.24
Mobilization Advance	1,063.45	185.26
Advance for Electrical Work	6,066.70	7,605.02
Advance to ECOR	1,488.74	875.28
Project Execution Advance	322.94	322.94
Advance to RVNL	-	4,314.22
<b>(b) Fair Valuation Adjustment-Financial Assets*</b>		
Prepaid rent	0.09	0.14
Staff loans and advances	0.93	-
Other financial assets	1.36	-
<b>(c) Income Tax Refund Receivable</b>		
	746.88	738.98
<b>Total</b>	<b>9,757.33</b>	<b>14,093.08</b>

\* It represents unamortized portion of the difference between the fair value of financial assets on initial recognition and expenditure incurred.

## ANGUL SUKINDA RAILWAY LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020

## 9 Financial Assets - Current

## 9.1 Cash and cash equivalents

(₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Balances with banks:</b>		
- On current accounts	4,260.62	2,566.37
- On flexi Accounts	709.97	964.40
<b>Total</b>	<b>4,970.59</b>	<b>3,530.77</b>

## 9.2 Other Bank Balances

(₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Other Balances with Bank *</b>		
- Deposits with original maturity of more than 3 months upto 12 months	678.71	10,155.00
<b>Total</b>	<b>678.71</b>	<b>10,155.00</b>

\*Other Balances with Bank includes the amount received in Escrow account for loan disbursement.



P. Roy.

(₹ in Lakhs)

9.3 Loans	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Particulars</b>		
<b>At Amortised cost</b>		
(i) Security deposits	1.29	1.53
Considered good-Unsecured		
(ii) Staff loans	2.45	-
Considered good-Unsecured		
<b>Total</b>	<u>3.74</u>	<u>1.53</u>

(₹ in Lakhs)

9.4 Others	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Particulars</b>		
Interest Accrued on Fixed Deposits	-	-
Other Receivables	1.27	1.57
<b>Total</b>	<u>1.27</u>	<u>1.57</u>

(₹ in Lakhs)

10 Current Tax Assets (Net)	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Particulars</b>		
<b>Current Tax Assets</b>		
Advance Tax & TDS	145.63	249.39
Less:- Provision for Income Tax	(143.30)	(241.48)
<b>Total</b>	<u>2.33</u>	<u>7.91</u>

(₹ in Lakhs)

11 Other current assets	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Particulars</b>		
<b>(a) Advances other than Capital Advances</b>		
Staff Imprest	0.84	0.19
<b>(b) Others</b>		
Prepaid Expenses	0.40	0.52
GST Input credit	5,957.23	2,981.29
Gst on advance receipt	7.07	-
GST cash ledger	1.30	0.03
<b>Total</b>	<u>5,966.84</u>	<u>2,982.03</u>



*P. Roy. Baboo*



**ANGUL SUKINDA RAILWAY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**12 Equity Share Capital**

(₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Authorised share capital</b>		
80,00,00,000 Equity Shares of ₹ 10 each	80,000.00	80,000.00
(31st March 2019: 60,00,00,000 Equity Shares of ₹ 10 each)		
	80,000.00	80,000.00
<b>Issued Equity Share Capital</b>		
60,00,00,000 Equity Shares of ₹ 10 each	60,000.00	60,000.00
(31st March 2019: 60,00,00,000 Equity Shares of ₹ 10 each)		
	60,000.00	60,000.00
<b>Subscribed and fully paid equity shares</b>		
60,00,00,000 Equity Shares of ₹ 10 each	60,000.00	60,000.00
(31st March 2019: 60,00,00,000 Equity Shares of ₹ 10 each)		
	60,000.00	60,000.00
<b>Total</b>	60,000.00	60,000.00

(a) **Reconciliation of the number of equity shares and share capital**

(₹ in Lakhs)


Particulars	No of shares (in Lakhs)	Amount
<b>Fully paid equity shares</b>		
<b>Balance as at 1st April, 2018</b>	6,000.00	60,000.00
Add: Shares Issued during the year		
Add: Partly paid converted to fully paid		
Less: Shares bought back during the period		
<b>Balance as at 31st March, 2019</b>	6,000.00	60,000.00
Add: Shares Issued during the year	-	-
Add: Partly paid converted to fully paid	-	-
Less: Shares bought back during the period		
<b>Balance as at 31st March, 2020</b>	6,000.00	60,000.00

(b) **Equity Shares Forfeited**

8,40,00,000 partly Equity Shares of face value Rs 10 each, allotted to Bhushan Steel Limited on 18th May, 2012 having paid up value of ₹ 1.19 per share, were forfeited by the Company during the financial year 2012-13, in the Board meeting Dt. 20th March, 2013, due to non payment of ₹ 15.40 Crore against 3rd and 4th cash call of ₹ 7.00 Crore & ₹ 8.40 Crore, respectively.

These shares were reissued during the financial year 2013-14 at face value, entire amount forfeited from Bhushan Steel Limited was transferred to capital reserve.




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(c) **Terms & Right attached to equity shares**

The company has only one class of equity shares having par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share and also to dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distributing all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) **Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

The company does not have any holding/ultimate holding company and/or their subsidiaries/associates.

(e) **Details of shareholders holding more than 5% of the aggregate shares in the company**

Name of the shareholder	As at 31st March 2020		As at 31st March 2019	
	No. of Shares held (In Lakhs.)	% of Holding	No. of Shares held (In Lakhs.)	% of Holding
1. Rail Vikas Nigam Limited [18,90,00,000, shares are Fully paid up @ ` 10.00/- per share]	1,890.00	31.50%	1,890.00	31.50%
2. Jindal Steel and Power Limited [6000000, Shares Fully paid up @ ` 10.00/- per share]	600.00	10.00%	600.00	10.00%
3. Government of Odisha [12780000 share fully paid @ ` 10/- per share]	1,278.00	21.30%	1,278.00	21.30%
4. Odisha Mining Corporation Limited (6,30,00,000 shares are Fully paid up @ ` 10/- per share)	630.00	10.50%	630.00	10.50%
5. Orissa Industrial Infrastructure Development Corporation (42,00,000 shares are Fully paid up @ ` 10/- per share)	42.00	0.70%	42.00	0.70%
6. Container Corporation of India Limited (15,60,00,000 shares are Fully paid up @ ` 10/- per share)	1,560.00	26.00%	1,560.00	26.00%
<b>Total</b>	<b>6,000.00</b>	<b>100.00%</b>	<b>6,000.00</b>	<b>100.00%</b>

(f) **Aggregate no. of equity shares issued as fully paid by way of bonus, other than cash & shares bought back during the period of five years immediately preceding the reporting date.**

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
	No in lakhs	No in lakhs	No in lakhs	No in lakhs	No in lakhs
Equity Shares issued for consideration other than cash	-	-	-	-	-
Equity Shares issued as fully paid up bonus shares	-	-	-	-	-
Equity Shares bought back	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**ANGUL SUKINDA RAILWAY LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

(₹ in Lakhs)		
13 Other Equity	Amount as at 31st March 2020	Amount as at 31st March 2019
Retained Earnings	7,208.94	7,181.44
Capital Reserve	1,000.00	1,000.00
Share application money pending allotment	4,260.00	-
<b>Total</b>	<b>12,468.94</b>	<b>8,181.44</b>

(₹ in Lakhs)		
13.1 Retained Earnings	Amount as at 31st March 2020	Amount as at 31st March 2019
Opening Balance	7,181.44	6,956.84
Add: Net Profit/(Loss) for the period	27.50	224.60
<b>Balance at the end of the year</b>	<b>7,208.94</b>	<b>7,181.44</b>

(₹ in Lakhs)		
13.2 Capital Reserve	Amount as at 31st March 2020	Amount as at 31st March 2019
Opening Balance	1,000.00	1,000.00
Add: Addition during the period	-	-
<b>Balance at the end of the year</b>	<b>1,000.00</b>	<b>1,000.00</b>

(₹ in Lakhs)		
13.3 Share application money pending allotment	Amount as at 31st March 2020	Amount as at 31st March 2019
Opening Balance	-	-
Received during the year	4,260.00	-
Issued during the year	-	-
<b>Closing Balance</b>	<b>4,260.00</b>	<b>-</b>

**Nature and Purpose of Other Reserves:**

**(a) Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.

**(b) Capital Reserve**

A capital reserve is a type of account that is reserved for long-term capital investment projects or other large and anticipated expenses that will be incurred in the future.



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*P. Ray. 20/03/20*

**ANGUL SUKINDA RAILWAY LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**14 Financial Liabilities-Non-current**

**14.1 Borrowings** (₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
<b>Secured- At Amortised Cost</b>		
Term Loans		
From Banks	44,561.00	28,261.00
<b>Total</b>	<b>44,561.00</b>	<b>28,261.00</b>

**14.1.1 Summary of borrowing arrangement**

i) A Term Loan of Rs. 1,60,000/- Lakhs has been taken by the company from the Banks against the revised project cost of Rs. 2,20,000/- Lakhs under the common Loan agreement, out of which Rs. 44,561.00/- Lakhs has been disbursed by the Bank up to 31st March 2020.

**14.1.2 Terms of security for loan are as follows:**

The Secured Obligations shall, to the satisfaction of the Secured Parties, be secured to the extent permitted under the Concession Agreement by:-

a) a first mortgage and charge on all the Borrower's immovable properties, both present and future save and except Project Site;

b) a first charge by way of hypothecation of all the Borrower's tangible moveable assets, including movable plant and machinery, machinery spares, construction equipment's, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the project assets;

c) a first charge on all bank accounts of the Borrower, including but not limited to the Trust and Retention Account and the Retention Accounts, or any other bank account in substitution thereof established and opened pursuant to the provisions of the TRA Agreement or any of the Project Documents wherein all revenues, Drawdowns, Receivables and other funds of the Borrower shall be deposited from time to time and all Permitted Investments or other securities representing all amounts credited to the TRA Accounts and other Bank Accounts;

e) a first charge on all intangibles of the Borrower including but not limited to goodwill undertaking and uncalled capital of the borrower other than project assets as permitted in the concession Agreement, intellectual property rights, undertakings, present and future;

**14.1.3 Terms of Repayment**

The Facility have a door-to-door tenure of 13 years including construction period of 3 Year. The Facility shall be repaid in 40 (forty) structured quarterly instalments starting from 31st July 2022.

**14.1.4 Interest Terms**

The Applicable Interest rate is 1 year MCLR (8.65%)+0.85% (Liquidity Premium) =9.50% p.a. with Annual reset.

**14.2 Other financial liabilities** (₹ in Lakhs)

Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019
Lease liabilities	79.71	-
<b>Total</b>	<b>79.71</b>	<b>-</b>



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14.2.1 Refer (Note-29)for detail related to the lease liabilities.

15 Provisions		(₹ in Lakhs)	
Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019	
<b>Provision for employee benefits</b>			
Provision For Gratuity	15.23	-	
Provision for Leave Encashment	21.36	-	
<b>Total</b>	<b>36.59</b>	<b>-</b>	

16 Financial Liabilities - Current

16.1 Other financial liabilities		(₹ in Lakhs)	
Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019	
Interest accrued on Borrowings	20.25	29.05	
Security deposits	1.91	1.51	
Lease liabilities	17.92	-	
Payable to RVNL	617.26	-	
Other payables	3,271.35	3,228.85	
<b>Total</b>	<b>3,928.69</b>	<b>3,259.41</b>	

16.1.1 Other payable as at 31st March 2020 includes Rs 3191.76/- Lakhs ( Rs 3191.76/- Lakhs as on 31st March 2019) of amount received from irrigation dept. of Govt of Odisha for deposit work.

16.1.2 Refer -(Note-29)for detail related to the lease liabilities.

17 Other current liabilities		(₹ in Lakhs)	
Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019	
<b>Statutory dues</b>			
(a) TDS payable	2.91	0.83	
(b) EPF payable	1.38	1.25	
(c) GST Payable	7.48	0.11	
(d) Professional tax	0.03	0.03	
<b>Total</b>	<b>11.80</b>	<b>2.22</b>	

18 Provisions		(₹ in Lakhs)	
Particulars	Amount as at 31st March 2020	Amount as at 31st March 2019	
<b>Provision for employee benefits</b>			
Provision For Gratuity	16.90	-	
Provision for Leave Encashment	22.43	-	
<b>Total</b>	<b>39.33</b>	<b>-</b>	



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**ANGUL SUKINDA RAILWAY LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

19 Revenue from Operations		(₹ in Lakhs)	
Particulars	Period ended 31st March 2020	Period ended 31st March 2019	
<b>Revenue from Contracts with Customers</b>			
Construction Contract Revenue under SCA (refer note-28)	30,308.26	23,821.67	
<b>Total</b>	<b>30,308.26</b>	<b>23,821.67</b>	
20 Other Income		(₹ in Lakhs)	
Particulars	Period ended 31st March 2020	Period ended 31st March 2019	
<b>Interest Income</b>			
(a) Bank Deposits (Amortised Cost)	-	314.32	
<b>Other Non Operating Income</b>			
(a) Unwinding of discount on receivable from East Coast Railways under SCA	112.30	91.19	
(b) Unwinding of discount on Security Deposit	0.10	0.08	
(c) Profit on sale of assets	2.70	-	
(d) Rental income	3.33	-	
(e) Interest on staff advances	0.97	-	
<b>Total</b>	<b>119.40</b>	<b>405.59</b>	
21 Other operating cost		(₹ in Lakhs)	
Particulars	Period ended 31st March 2020	Period ended 31st March 2019	
Construction Contract Cost under SCA (refer note-28)	30,308.26	23,821.67	
<b>Total</b>	<b>30,308.26</b>	<b>23,821.67</b>	
22 Employee benefits expense		(₹ in Lakhs)	
Particulars	Period ended 31st March 2020	Period ended 31st March 2019	
Salary, Wages and Bonus	216.49	143.76	
Staff welfare expense	17.55	16.65	
Contribution to provident and other funds	13.51	13.44	
	<b>247.55</b>	<b>173.85</b>	
Less : Amount transferred to CWIP as IEDC (Refer Note 22.1 below)	(185.66)	(130.39)	
<b>Total</b>	<b>61.89</b>	<b>43.46</b>	

22.1 Employee benefits and other expenses etc. are charged on the project to the extent of directly attributable to the project of such indirect expenditure except the portion of expenses related to the Income from operation as identified by the company.



P. Roy. *[Signature]*

23 Finance costs (₹ in Lakhs)

Particulars	Period ended 31st March 2020	Period ended 31st March 2019
Interest on TDS	-	0.01
Interest on Income Tax	-	0.98
Interest expense for leasing arrangements	9.88	-
<b>Total</b>	<b>9.88</b>	<b>0.99</b>

24 Depreciation And Amortization expense (₹ in Lakhs)

Particulars	Period ended 31st March 2020	Period ended 31st March 2019
Depreciation on Property, Plant & Equipment (Note-3)	13.73	7.15
Depreciation of right-of-use assets(refer note 3)	15.07	-
Amortisation of Intangible Assets (Note-4)	0.05	0.16
<b>Total</b>	<b>28.85</b>	<b>7.31</b>

ANGUL SUKINDA RAILWAY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020

25 Other expenses (₹ in Lakhs)

Particulars	Period ended 31st March 2020	Period ended 31st March 2019
Legal & professional fees	40.27	58.68
<b>Payment to Auditors:</b>	-	-
As Auditor	0.80	0.74
For taxation matters	-	-
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	-	-
Traveling expense	6.40	6.49
Printing and stationary	2.19	2.20
Power & fuel	1.01	1.11
Repair and maintenance expenses	2.55	2.69
Housekeeping and office security expense	17.21	16.36
Insurance charges	0.07	0.18
Rent	0.05	11.87
Meeting & conference	3.49	2.81
Rates & taxes	0.10	0.28
Membership and subscription fees	1.55	3.05
Vehicle hire charges	17.92	18.58
CSR expenses	-	28.00
Communication expenses	2.65	2.45
Miscellaneous expense	9.14	4.41
	<b>105.40</b>	<b>159.90</b>
Less : Amount transferred to Intangible under development as IEDC (Refer Note 5 and Note 25.1)	(79.05)	(98.93)
<b>Total</b>	<b>26.35</b>	<b>60.98</b>

25.1 As per policy of the company indirect expenditure to the extent of the directly attributable to the project is charged to the project.



*P. Roy. Sanjay*

**ANGUL SUKINDA RAILWAY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**26 Income Tax Expense**

**26.1 Income tax recognised in profit and loss**

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Current income tax:</b>		
Current income tax charge	143.30	241.48
<b>Deferred tax:</b>		
In respect of the current year	(178.37)	(173.23)
<b>Total</b>	<u>-35.07</u>	<u>68.25</u>

**Reconciliation between tax expense and the accounting profit :**

Particulars	As at 31st March 2020	As at 31st March 2019
Accounting profit before tax from continuing operations	-7.57	292.85
<b>Accounting profit before income tax</b>	<u>-7.57</u>	<u>292.85</u>
At India's statutory income tax rate of 17.47% (31 March 2019: 21.54%)	-1.32	63.11
<b>Tax effect of amounts which are not deductible (taxable) in</b>		
Add: Impact due to change in tax rate	-33.75	5.14
<b>At the effective income tax rate of (31st March 2019: 23.31%)</b>	<u>-35.07</u>	<u>68.25</u>
Income tax expense reported in the statement of profit and loss (relating to continuing operations)	-35.07	68.25
	<u>-35.07</u>	<u>68.25</u>

*P. Roy*



**ANGUL SUKINDA RAILWAY LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**27 Earnings per share (EPS)**

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	₹ per share)	₹ per share)
<b>Basic EPS</b>		
From continuing operation	0.00	0.04
From discontinuing operation	-	-
<b>Diluted EPS</b>		
From continuing operation	0.00	0.04
From discontinuing operation	-	-

**27.1 Basic Earning per Share**

(₹ in Lakh)

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Profit attributable to equity holders of the company:		
Continuing operations	27.50	224.60
Discontinuing operations	-	-
<b>Earnings used in calculation of Basic Earning Per Share</b>	<b>27.50</b>	<b>224.60</b>
Weighted average number of shares for the purpose of basic earnings per share	6000.00	6000.00

**27.2 Diluted Earning per Share**

(₹ in Lakhs)

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Profit attributable to equity holders of the company:		
Continuing operations	27.50	224.60
Discontinuing operations	-	-
<b>Earnings used in calculation of diluted Earning Per Share from continuing operations</b>	<b>27.50</b>	<b>224.60</b>

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Weighted average number of Equity shares used in calculation of basic earnings per share	6000.00	6000.00
Effect of dilution:		
Share Options	1.16	-
<b>Weighted average number of Equity shares used in calculation of diluted earnings per share</b>	<b>6001.16</b>	<b>6000.00</b>



*P. Roy. J. Saha*



**Disclosure of Ind As 115 "Revenue from Contracts with Customers"**

**28 Service Concession arrangements**

Public -to-private service concession arrangements are recorded according to Appendix "D" Service Concession Arrangements" IND-AS-115 . Appendix "D" Service Concession Arrangements applies if:

- a) The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and
- b) The grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, an intangible asset is recognized to the extent that the operator receives the right to charge users of the public service, provided that these charges are conditional on the degree to which the service is used.

These intangible assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then amortized over the term of the concession.

The ASRL(Company) has entered into a Concession Agreement with Ministry of Railways (MoR), Government of India dated 14th May 2010 in terms of which the Ministry of Railways (Grantor) has authorized the Company (Operator) to develop, finance, design, engineer, procure, construct, operate and maintain the Project Railway and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement ASRL has an obligation to complete construction of the project railway and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The concession period is determined with reference to attainment of NPV payback benchmark at the rate of return of 14%.The concession period shall be 30 years of operation or till the NPV payback equal to equity investment is reached, whichever is earlier. In case the NPV payback is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be re-possessed by railway.

At the end of concession period, the project assets shall be hand over by ASRL to MOR and ASRL shall be entitled to receive and MOR shall pay to ASRL an amount equal to the value of new assets and additional facilities created by the ASRL net of depreciation and amortisation. The original existing assets leased to ASRL by MOR shall revert back to MOR. The fresh land acquired by MOR and leased to ASRL shall also revert back to MOR on payment of an amount equal to the cost of acquisition.

In terms of the above agreement upon expiry of 30 years of operation the concession period shall be extended by an equal period of time which corresponds to the period for which material disruption of operation and maintenance occurred during the concession period. However such extension will be limited to provision that if NPV payback equal to equity investment is reached earlier then the period so extended , the concession period would stand terminated.

In case of material breach in terms of the agreement the MOR and ASRL both have the right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

**28.1** For the year ended 31st March 2020, the company has recognized revenue of 30,308.26 lakhs (23,821.67 Lakhs for the year ended 31.3.2019) consisting of 30,308.26 lakhs ( 23,821.67 Lakhs for the year ended 31.3.2019) on construction of intangible assets under service concession arrangement. Company has recognized nil profit on construction of intangible assets under service concession arrangement . The revenue recognized in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement. The company have not recognised any revenue from operation of railway line since the construction of line is in process. The revenue shall be booked once the operation of line is commenced. The company has recognized receivable under service concession arrangement measured initially at fair value and subsequently at amortised cost as at 31st March 2020 of `1,636.70 lakhs (`1,412.00Lakhs as at 31.3.2019), representing the amortised cost of fresh land acquired by MOR and leased to ASRL which is recoverable at the end of concession period from MOR, of which ` 313.86/-Lakhs ( ` 270.99 Lakhs as at 31.3.2019) represents accrued interest. The company has recognized an intangible asset under development of ` 1531.43/- Lakhs as on 31st March, 2020 ( `1161.66/- lakhs in F.Y.2018-19). The intangible asset under development represents the freight sharing rights under development to receive freight-traffic earnings under service concession agreement.



*P. Ray*  
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28.2 Disaggregation Of Revenue		(₹ in Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Construction Contract Revenue under SCA	30,308.26	23,821.67	
	<u>30,308.26</u>	<u>23,821.67</u>	

Contract balances		(₹ in Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Trade receivables	-	-	
Contract assets	-	-	
Contract liabilities	-	-	

Contract Assets		(₹ in Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Contract Asset at the beginning of the year	-	-	
Transfer from Contract Asset to Trade Receivable and increase as a result of changes in measure of progress.	-	-	
Contract Asset at the end of the year	-	-	

Contract Liabilities		(₹ in Lakhs)	
Particulars	As at 31st March 2020	As at 31st March 2019	
Contract Liabilities at the beginning of the year	-	-	
Transfer from Contract Liabilities to Revenue and increase as a result of changes in measure of progress.	-	-	
Contract Liabilities at the end of the year	-	-	

There was no revenue recognized in the current reporting period that related to performance obligations that were satisfied in a prior year.

### 28.3 Construction Contracts

In terms of the disclosure required in Ind-AS 115 Revenue from Contracts with Customer as notified in the companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the amount considered in the financial statements up to the balance sheet date are as follows:-

Particulars	(₹ in Lakhs)	
	Period ended 31st March 2020	Period ended 31st March 2019
Contract revenue recognised	30,308.26	23,821.67
Aggregate amount of costs incurred and recognized in profit/Loss	30,308.26	23,821.67



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P. Roy.

**ANGUL SUKINDA RAILWAY COMPANY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**29 Disclosures under Ind AS-116**

- (i) Effective 1st April, 2019 the Company adopted Ind AS-116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of the initial application. Company has selected the option of recording the right of use assets and corresponding lease liability by the present value of the remaining lease payments as on the date of the initial application and therefore impact on the retained earnings due to adoption of the Ind AS-116 is Nil.
- (ii) Comparatives for the year ended 31st March, 2019 have not been adjusted and will therefore continue to be reported under the accounting policies included as part of our Annual Report for the year ended 31st March 2019
- (iii) Summary of the practical expedients elected on initial application.
- (a) Applied the exemption not to recognize right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- (b) Excluded the initial direct costs from the measurement of the right of use asset at the date of initial application
- (c) Ind AS-116 is applied to only those contracts that were previously classified under Ind AS-17.
- (d) applied the Single discount rate for the portfolio of leases.
- (iv) The difference between the lease obligation under the Ind AS-17 and value of the lease liability as on the date of transition is primarily is on account of extension and termination option reasonably certain to exercised in measuring the lease liability in accordance to the Ind AS-116 and discounting of the lease liabilities to the present value under the Ind AS-116.
- (v) The weighted average incremental borrowings rate applied to lease liabilities as at 1st April, 2019 is 9.50%
- (vi) Company has taken its office (ground floor and 1st floor) on the lease for period of the 5 years. License fees agreed to be paid during the lease period is 1.01 Lakhs per month plus applicable rate of the GST Licence fees shall be escalated @ 10% after every year. As per the terms of the lease agreement, licensee shall have an option to renew the lease by another 5 years and the management is reasonably certain to exercise that option of the extension of the lease agreement and therefore that extension is also covered in creating the right of use assets. Licensee shall not have any right to terminate the agreement during the lease period.

(vii) **Movement in Right of use assets-Building**

Particulars	(₹ in Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Opening Balance as to the beginning of the year	-	-
Additions during the year	104.04	-
Depreciation charge during the year	15.07	-
Closing Balance as on the end of the year	88.97	-




P. Roy. *[Signature]*

(viii) Movement in Lease Liability

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance as to the beginning of the year	-	-
Additions during the year	104.04	-
Interest recognised during the year	9.88	-
Payment made during the year/total cash outflow for the leases	16.29	-
Closing Balance as on the end of the year	97.63	-

(vii) Lease Liabilities are presented in the Balance sheet are as follows:-

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Current	17.92	-
Non-Current	79.71	-
	97.63	-

(x) As at 31st March 2020 the Company has not committed to any leases which has not been yet commenced.

(xi) The Company has elected not to recognize a lease liability for short term leases of leases of low value assets. Expenses related to this leases are not included in the measurement of the lease liability. Details of the same are as follows:-

Particulars	As at 31st March 2020	As at 31st March 2019
Short term leases	-	-
Leases of low value of assets	-	-

(xii) Interest expenses in relation to leasing activities refer Note -23.

(xiii) Expenses related to the variable lease payments are Nil.

(xiv) Income from subleasing of the right of use assets is given under Note--20.

(xv) Gain/loss from sale and leaseback transactions is not applicable to the Company.



*JE P. Roy.* *[Signature]*

**ANGUL SUKINDA RAILWAY COMPANY LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020**

**30 Capital management**

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders. Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2020.

**31 Financial Instruments**

(i) Financial Instruments by Category

Particulars	(₹ in Lakhs)			
	As at 31st March 2020		As at 31st March 2019	
	FVTPL	FVTOCI	FVTPL	FVTOCI
<b>Financial Assets</b>				
(i) Cash and cash equivalents	-	-	4,970.59	-
(ii) Bank balances other than (i) above	-	-	678.71	-
(iii) Receivable from East Coast Railways under SCA	-	-	1,636.70	-
(iv) Security deposits	-	-	2.64	-
(v) Staff loans and advances	-	-	6.51	-
(vi) Other current financial assets	-	-	1.27	-
<b>Total Financial Assets</b>	-	-	<b>7,296.42</b>	-
<b>Financial Liabilities</b>				
(i) Borrowings	-	-	44,561.00	-
(ii) Other financial liabilities	-	-	4,008.40	-
<b>Total Liabilities</b>	-	-	<b>48,569.40</b>	-
<b>Total Financial Assets</b>				<b>15,102.03</b>

79<sup>31</sup>

(ii) Fair value of financial assets and liabilities that are measured at fair value (but fair value disclosure are required)

Particulars	(₹ in Lakhs)			
	As at 31st March 2020		As at 31st March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial Assets</b>				
Receivable from East Coast Railways under SCA	1,636.70	1,037.33	1,412.00	2,126.21
Security deposits	1.35	1.40	1.16	2.07
Staff loans and advances	4.06	4.06	-	-
Lease Liabilities	97.63	97.63	-	-
<b>Total Financial Assets</b>	<b>1,739.74</b>	<b>1,140.42</b>	<b>1,413.16</b>	<b>2,128.28</b>



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P. Roy

i) The carrying amounts of cash and cash equivalents, FD of short term maturity and other short term receivables and payables are considered to the same as their fair values, due to short term nature.

Fair Value hierarchy as on 31st March 2020				
Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Receivable from railways under SCA	-	-	1,037.33	1,037.33
Security Deposits	-	-	1.40	1.40
Staff loans and advances	-	-	4.06	4.06
Lease Liabilities	-	-	97.63	97.63
	-	-	<b>1,140.42</b>	<b>1,140.42</b>

Fair Value hierarchy as on 31st March 2019				
Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Financial assets at Amortised Cost				
Receivable from railways under SCA	-	-	2,126.21	2,126.21
Security Deposits	-	-	2.07	2.07
Staff loans and advances	-	-	-	-
	-	-	<b>2,128.28</b>	<b>2,128.28</b>

**(iii) Financial risk management**

The Company's principal financial liabilities comprises other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation. The Company's principal financial assets include cash and cash equivalents and other receivables that derive directly from its operations.

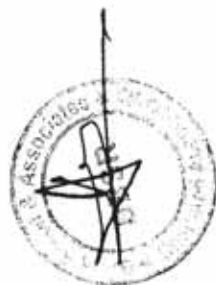
The Company is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. Financial instruments affected by market risk includes deposits and other non derivative financial instruments.

**b) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company exposure to the risk of changes in market interest rate relates primarily to the investments of surplus fund into bank deposits. The company manages its interest risk in accordance with the companies policies and risk objective.



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**c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from others. The company is exposed to credit risk from its financial activities including deposits with banks, financial institutions and other financial instruments.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

**d) Liquidity risk**

Ultimate responsibility for liquidity risk management rest with the board of directors the company manages maintaining adequate banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2020 and 31st March 2019.

Particulars	As at 31st March 2020 (₹ in Lakhs)		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	-	-	44,561.00
Lease liabilities	17.92	19.71	97.51
Other payables	3,910.77	-	-
	<u>3,928.69</u>	<u>19.71</u>	<u>44,658.51</u>

Particulars	As at 31st March 2019 (₹ in Lakhs)		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	-	-	28,261.00
Other payables	3,259.41	-	-
	<u>3,259.41</u>	<u>-</u>	<u>28,261.00</u>



*[Signature]*  
P. Roy. Jankar



### 32 Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

#### a) Useful lives of Intangibles

As described in note 2.7, company has estimated the useful live of intangible assets (Intangible under service concession arrangement) is 30 years for amortisation of intangible assets. As per service concession arrangement if NPV payback equal to equity investment @14% is reached earlier than 30 years, the concession agreement would stand terminated and the project line would be reassessed by railway.

The financial impact of the above assessment may impact the amortisation expenses in subsequent financial years.

#### b) Revenue Recognition

The Company recognizes revenue for a performance obligation satisfied over time after reasonably estimating its progress towards complete satisfaction of the performance obligation.

#### c) Fair valuation measurement and valuation process

The fair values of financial assets and financial liabilities is measured the valuation techniques including the DCF model. The inputs to these method are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 29 for further disclosures.

#### d) Taxes

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which losses can be utilized significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

The company had tax losses carried forward 229.86/- lakhs as at 31, March 2019 , further company had carried forward unabsorbed depreciation of 38.28/- lakhs as at 31, March 2019.

#### (e) Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluation the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

#### f) Estimation of uncertainties relating to the global health pandemic from COVID-19 ( COVID-19)

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

  
P. Roy





ANGUL SUKINDA RAILWAY COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT ENDED 31st March 2020

33 Related Party Disclosures

33.1 Related Parties

S. No.	Name	Nature of Relationship
1	Rail Vikas Nigam Limited (RVNL)	Enterprise exercising significant influence
2	Jindal Steel and Power Limited (JSPL)	Others
3	Government of Odisha	Enterprise exercising significant influence
4	Odisha Mining Corporation Limited	Others
5	Orissa Industrial Infrastructure Development Corporation	Others
6	Container Corporation of India Limited	Enterprise exercising significant influence
7	Dilip Kumar Samantray	Managing Director
8	Srinanta Baboo	Company Secretary
9	Prafulla Raut	Chief Financial Officer

33.2 Disclosure of transaction with related parties

S. No.	Particulars	Amount (₹) (in Lakhs.)		Outstanding Amount Payable/ (Receivable) (₹) (in Lakhs.)	
		Year ended 31st March 2020	Year ended 31st March 2019	Year ended 31st March 2020	Year ended 31st March 2019
1	<b>Rail Vikas Nigam Limited (RVNL)</b>				
	Expenditure towards project ( Net of Interest on Mobilisation advance)	24,639.39	22,017.43	744.84	-4,314.22
	Capital Advance given/Adjusted	-31.80	-783.65	-9,008.08	-9,039.88
2	<b>Container Corporation of India Limited</b>				
	Reimbursement of Rent for subletting of Office Building	3.93	3.57	-0.62	-0.56
3	<b>Odisha Government</b>				
	Amount received from irrigation department of Odisha govt. towards Deposit Works	-	99.43	3,191.76	3,191.76
	Amount received for allotment of share	4,260.00	-	4,260.00	-
4	<b>Managing Director</b>				
	Amount Paid towards Remuneration	58.31	59.09	0.91	0.66
5	<b>Chief Financial Officer</b>				
	Amount Paid towards Remuneration	18.07	17.42	0.20	0.18
	Multi- Purpose Advances	5.00	-	-4.17	-
6	<b>Company Secretary</b>				
	Amount Paid towards Remuneration	13.96	13.29	0.03	0.28

33.3 Compensation of key management personnel:

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	(₹ in Lakhs)	
	Year ended 31st March 2020	Year ended 31st March 2019
Short-term benefits	90.34	89.80
Post-employment benefits	6.34	6.48
Other long-term benefits	62.41	-
	<b>159.09</b>	<b>96.28</b>



*P. Roy.*

**34 Retirement Benefits**

The summarized position of Post-employment benefits and long term employee benefits recognized in the statement of Profit & Loss and Balance Sheet are under:-

**34.1 Economic Assumptions**

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows & have been received as input from M&A.

Particulars	31/03/2020	31/03/2019
i) Discounting Rate	6.80%	N.A
ii) Future salary Increase	8%	N.A

**34.2 Summary of results**

The table below shows a summary of the key results of the report including past results as applicable.

S.no	Assets / Liability	31/03/2020		31/03/2019	
		Gratuity Liability	Leave Liability	Gratuity Liability	Leave Liability
a	Present value of obligation	32.12	43.79	-	-
b	Fair value of plan assets	-	-	-	-
c	Net assets / (liability) recognized in balance sheet as provision	-32.12	-43.79	-	-

**34.3 Change in Benefit Obligation**

S.no	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Present value of obligation as at the beginning of the period	-	-	-	-
b)	Acquisition adjustment	-	-	-	-
c)	Interest Cost	-	-	-	-
d)	Service Cost	4.79	6.47	-	-
e)	Past Service Cost including curtailment Gains/Losses	27.33	37.32	-	-
f)	Benefits Paid	-	-	-	-
g)	Total Actuarial (Gain)/Loss on Obligation	-	-	-	-
h)	Present value of obligation as at the end of the period	32.12	43.79	-	-

**34.4 Balance Sheet and related analysis**

S.no	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Present Value of the obligation at end	32.12	43.79	-	-
b)	Fair value of plan assets	-	-	-	-
c)	Unfunded Liability/provision in Balance Sheet	-32.12	-43.79	-	-



*P. Ravi Kumar*

34.5 Bifurcation of PBO at the end of year in current and non current.

S.No	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Current liability (Amount due within one year)	16.90	22.43	-	-
b)	Non-Current liability (Amount due over one year)	15.23	21.36	-	-

34.6 Actuarial Gain/Loss on Obligation

S.No	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	-	-	-
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	-	-	-	-

34.7 The amounts recognized in the income statement.

S.No	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Total Service Cost	32.12	43.79	-	-
b)	Net Interest Cost	-	-	-	-
c)	Expense recognized in the Income Statement	32.12	43.79	-	-

34.8 Sensitivity Analysis of the defined benefit obligation.

S.No	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Impact of the change in discount rate	-	-	-	-
S.No	Present Value of Obligation at the end of the period	32.12	43.79	-	-
a)	Impact due to increase of 0.50%	-1.34	-1.97	-	-
b)	Impact due to decrease of 0.50 %	1.49	2.11	-	-


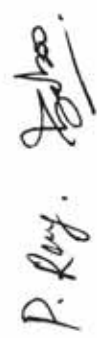
b) Impact of the change in salary increase

S.No	Particulars	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	Present Value of Obligation at the end of the period	32.12	43.79	-	-
a)	Impact due to increase of 0.50%	0.72	2.09	-	-
b)	Impact due to decrease of 0.50 %	-1.32	-2.00	-	-

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated

34.9 Maturity Profile of Defined Benefit Obligation

S.No	Year	31/03/2020		31/03/2019	
		Gratuity Liability	Earned Leave Liability	Gratuity Liability	Earned Leave Liability
a)	0 to 1 Year	16.90	22.43	-	-
b)	1 to 2 Year	0.35	8.37	-	-
c)	2 to 3 Year	0.35	0.30	-	-
d)	3 to 4 Year	0.31	0.27	-	-
e)	4 to 5 Year	2.61	1.99	-	-
f)	5 to 6 Year	0.24	0.22	-	-
g)	6 Year onwards	11.37	10.21	-	-

  
P. Roy. 

**35 Contingent liability**

Contingent liability in respect of claims not acknowledged as debt by the company are as follow

1. A Y 2014-15 - 66,27/- Lakhs (Addition of Interest on Mobilisation advance of - 45.84 Lakhs & Interest on fixed deposits of - 385.82 lakhs)
2. A Y 2013-14 - 50.84/- Lakhs (Addition of Interest on Mobilisation advance of - 68.56 Lakhs & Interest on fixed deposits of - 108.02 Lakhs)

36 There are no reported Micro, Small and Medium enterprises as defined in the "The Micro, Small & Medium Enterprises Development Act 2006" to whom the company owes dues.

**37 Impairment of Assets**

On the basis of review, the management is of the opinion that the economic performance of non financial assets of the Company is not lower than expected and therefore there is no impairment of any assets as on the Balance Sheet date.

**38 D&G Charges on Land**

Company has requested RVNL for non levying D&G Charges on cost of land as being not covered by any circular of Railway Board vide letter dated 20th May 2016, however RVNL is not agree on the same. At present company is reviewing Railway Board guidelines for D&G charges on land. Therefore liability towards D&G charges on land of Rs. 7.35 Cr. has been recognised in financial statements.

**39 CSR Expenditure**

(₹ in Lakhs)		
Particulars	For Year ended 31.03.2020	For Year ended 31.03.2019
Gross amount required to be spent by company during the year	29.00	27.54
Actual amount spent by company during the year	-	28.00

With BoD's approval CSR funds of ASRL is being spent through District Administration coming on the alignment of Angul Sukinda new rail-line for last few years. Estimates from the district administration were received in 24.01.2020 only. Therefore, the same could not be released in the event of BoD meeting could not be held due to Covid-19.

**40 Capital Commitments**

Capital commitment in respect of cost to be incurred for assets covered by Service concession arrangement are Rs. 1,455.80 Crore ( 31st March 2019 Rs. 582.25 Crore)

41 RVNL has deducted amount of Rs. 79.4 lakh from bills of Contractors as penalty due to shortfall of engagement of key personnel at site as per the clause of the contract, however amount is not credited from project expenditure of ASRL. RVNL has retained this amount as security deposit of contractor and shall adjust the same after completion of contract with contractor.

**42 COVID-19 impacts on the Financial statements**

The turbulence in the financial markets due to the COVID-19 pandemic has impacted the Company's financial statements at year ended 2020. Since March 2020, the consequences of the COVID-19 outbreak have disrupted the construction work of the Company however Management is having a reasonable assurance that these uncertainties do not cast significant doubt on the Company's ability to continue as a going concern.

The Company currently does not expect material changes to the profitability of future business plans which could impact recoverability of assets such as intangible assets. Risk assessment on the business plans is carried out on a regular basis and an impairment review will be performed if conditions suggest that such assets may be impaired.

**43 Approval of financial statement**

The financial statements were approved for issue by the Board of Directors on 24.07.2020.

    
P. K. Singh. P. Singh. P. Singh.

# **AUDITORS' REPORT**



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ANGUL SUKINDA RAILWAY LIMITED

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

#### Opinion

We have audited the accompanying standalone financial statements of **ANGUL SUKINDA RAILWAY LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis,





Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our Auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibilities for the Standalone Financial Statements**

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

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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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



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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current





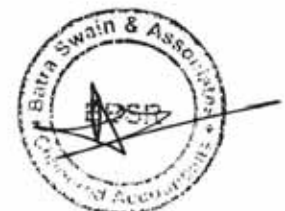
period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts



including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**Report on Directions under section 143(5) of Companies Act 2013 of  
Angul Sukinda Railway Limited for the Financial Year 2019-20**

Sl. No.	Directions	Auditor Comment
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has a system of process all the accounting transactions through IT system: TALLY Accounting Software Package. As there is no transaction during the year which was processed outside of TALLY.
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc., made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No Such Cases
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No Such Cases

For Batra Swain & Associates  
Chartered Accountants  
FRN 322050E

CA Aditya Narayan Mahapatra  
Partner  
M.No. 066784  
UDIN - 20066784AAAACS4909



Date - 24/07/2020  
Place - Bhubaneswar

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph I (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Angul Sukinda Railway Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **ANGUL SUKINDA RAILWAY LIMITED** (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

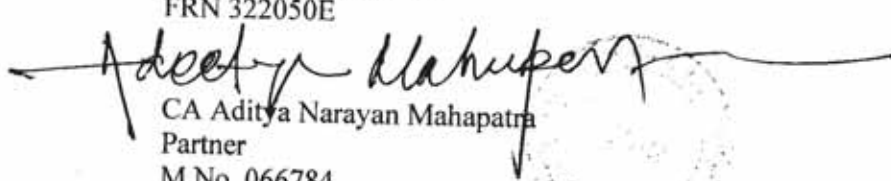
#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Batra Swain & Associates**

Chartered Accountants

FRN 322050E

  
CA Aditya Narayan Mahapatra

Partner

M.No. 066784

UDIN - 20066784AAAACS4909

Date - 24/07/2020

Place - Bhubaneswar



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys Limited of even date)

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the company does not have any immovable properties of land and buildings which are freehold. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. The Company is now in project construction stage and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - (c) There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any



## Continuation Sheet

BATRA SWAIN & ASSOCIATES

unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company. Chartered Accountants

- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- viii. The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which they are raised and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.



Continuation Sheet

**BATRA SWAIN & ASSOCIATES**

*Chartered Accountants*

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Batra Swain & Associates**  
Chartered Accountants  
FRN 322050E

*Aditya Narayan Mahapatra*

CA Aditya Narayan Mahapatra  
Partner  
M.No. 066784  
UDIN - 20066784AAAACS4909



Date - 24/07/2020  
Place - Bhubaneswar





कार्यालय प्रधान निदेशक लेखापरीक्षा  
पूर्व तट रेलवे, भुवनेश्वर

OFFICE OF THE PRINCIPAL DIRECTOR OF  
AUDIT  
EAST COAST RAILWAY, BHUBANESWAR



सं: Co-ord/2-1/Supp.Audit/ASRL/2018-19/ 2411

दिनांक: 12.10.2020

To,  
Managing Director,  
Angul-Sukinda Railway Ltd.  
Plot No. 7622/4706, Press Chhaka,  
Gajapati Nagar,  
Bhubaneswar- 751 005

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Angul - Sukinda Railway Limited for the year ended 31st March 2020.

Sir,

I am to send herewith 'Nil' Comments certificate of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the annual accounts of Angul-Sukinda Railway Limited for the year ended 31<sup>st</sup> March 2020 for information and further necessary action.

Kindly acknowledge receipt.

Encl: As above

Yours sincerely,

(B. Basantia)  
Principal Director of Audit  
East Coast Railway



**Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the FINANCIAL STATEMENTS of Angul - Sukinda Railway Limited for the year ended 31<sup>st</sup> March 2020.**

The preparation of financial statements of Angul-Sukinda Railway Limited for the year ended 31<sup>st</sup> March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditor/Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) or 139(7) of the Act is/ are responsible for expressing opinion in these financial statements under Section 143 of the Act based on the independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24.07.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the act of the financial statements of Angul-Sukinda Railway Limited for the year ended 31<sup>st</sup> March 2020. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and company personnel and selective examination of some accounting records. In addition, I would like to highlight the significant matters under section 143(6) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of financial statement and related audit report.

- A. Comment on Probability - Nil
- B. Comment on Financial Position - Nil
- C. Comment on Cash Flow - Nil
- D. Comment on Disclosure - Nil
- E. Comment on Auditor's Report - Nil

Place: Bhubaneswar

Date: .10.2020

**For and on the behalf of the  
Comptroller and Auditor General of India**

*BABE*  
*12/10*  
**(Bibhudutta Basantia)  
Principal Director of Audit  
East Coast Railway**