

**ADITYA BIRLA RENEWABLES UTKAL
LIMITED**

1ST ANNUAL REPORT

2019-20

ADITYA BIRLA RENEWABLES UTKAL LIMITED

Registered Office: A-4, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India

Corporate Identity Number: U40300MH2019PLC325878

Phone: +91 22 2499 5000, 6652 5000, Fax: +91 22 2499 5821, 6652 5821

Email id: abrul@adityabirla.com

BOARD OF DIRECTORS' REPORT

To

The Members of the Company

Aditya Birla Renewables Utkal Limited

Your Directors have pleasure in presenting the 1st (first) Board of Directors' Report together with Audited Financial Statements of your Company for the year ended March 31, 2020.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2020 is as under:

(Amount in Rupees)

Particulars	Period ended March 31, 2020 i.e. from 27.05.2019 to 31.03.2020
Total Income	57,83,336
Less : Total Expenses	43,86,699
Profit before Tax	13,96,637
Tax Expenses	
Current Tax	-
MAT credit entitlement	-
Deferred Tax	3,59,902
Profit after Tax (A)	10,36,735
Other Comprehensive Income (B)	-
Total Comprehensive Income for the Period (A+B)	10,36,735

2. State of the Company's affairs

During the financial year 2019-20, the Company has commissioned 1 (one) captive solar power plant for Utkal Alumina International Limited located at Doraguda, via Tikri, Post-Office: Kucheipadar, District- Rayagada-765 015 in the state of Odisha. The Solar PV Power Plant employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 17,23,747 units during the year. The revenue from operations of the Company was Rs. 54,09,614 during the financial year 2019-20.

In the short run, the solar power industry will face challenges due to ongoing COVID-19 situation for running the plants at full capacity for initial 2-3 months and achieving the projects commissioning on time due to the supply-chain disruption at the customer end, logistics challenges, availability of labour, restrictions on interstate mobility, etc. Since major supplies (Modules and Inverters) come from China and gradual factory ramp up coupled with delay in custom clearance at Indian ports are likely to delay the project commissioning dates by at least a quarter. Raising capital and mobilizing manpower to manage assets to maintain the generation levels will be other few challenges. At the moment, it is difficult to accurately assess the direct and indirect impact of COVID-19 on the solar power sector.

State DISCOMs are continuing with their normal offtake so far. MoP, MNRE have issued guidelines to maintain Renewable Energy as priority plants and advised to all states to maintain the "Must-Run" status of plants and this will be of big help to Solar Industry. Payment delays are expected and hence the receivables are carefully monitored. Fortunately, the relief granted by Reserve Bank of India has helped the borrowers by way of moratorium of interest and principal instalments falling due to Banks and financial institutions.

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The Company has made initial assessment of likely adverse impact of the pandemic on financial risks for the Company and believes that Company on long-term basis doesn't anticipate any major impact on its financial performance.

3. Amounts, if any, which it proposes to carry to any reserves

The Board of Directors do not propose to carry any amount to any reserves.

4. Amount, if any, which it recommends should be paid by way of dividend

Your Directors do not recommend any dividend for the financial year ended on March 31, 2020.

5. Material changes and commitments after the end of financial year

Between the end of the financial year of the Company as on March 31, 2020 and the date of the Board of Directors report, there are no material changes and commitments, which have any impact on the financial position of the Company.

6. The names of companies which have become or ceased to be its Subsidiaries, Joint Ventures or associate companies during the year

During the financial year 2019-20, none of the companies have become or ceased to be the subsidiaries, joint ventures or associate companies of the Company.

7. Performance and financial position of Subsidiaries, Associates and Joint Venture Companies

As the Company has no subsidiaries, associates and joint ventures companies as on March 31, 2020, the information related to the performance and financial position of subsidiaries, associates and joint ventures as per rule 8(1) of the Companies (Accounts) Rules, 2014 is not applicable.

8. Change in the nature of business, if any

There is no change in the nature of business of the Company during the financial year ended on March 31, 2020.

9. Share Capital

As on March 31, 2020, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

- i. Authorized Share Capital:
Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lakh) Equity shares of Rs. 10 each.
- ii. Issued, Paid-up and Subscribed Capital:
Rs. 4,90,00,000 (Rupees Four Crore Ninety Lakh Only) divided into 49,00,000 (Forty-Nine Lakh Only) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, are the First Directors of the Company since incorporation of the Company. All the Directors of your Company have given requisite declarations

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pursuant to section 164 of the Companies Act, 2013 that they are not disqualified to be appointed as Directors of your Company.

11. Number of meetings of the Board

The details of number of meetings of the Board of Directors of the Company held during the financial year ended on March 31, 2020 and attendance of the Directors at such meetings are as under:

Board of Directors Meetings

Name of Director	Attendance at the Board of Directors Meetings held during the financial year 2019-20 (DD/MM/YY)				
	31/05/19	24/06/19	29/07/19	25/10/19	24/01/20
Mr. Ravinder Khanna	Leave of absence	✓	✓	✓	Leave of absence
Mr. Pavan K. Jain	✓	✓	✓	✓	✓
Mr. Pawan Kumar Jain	✓	✓	✓	✓	✓

The gap between two consecutive Board Meetings did not exceed 120 days.

12. Directors' Responsibility Statement

In accordance with the provisions of section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that –

- In the preparation of the annual accounts for the Financial Year ended March 31, 2020, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- The Directors have 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 and of the profit of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. Constitution of the Committees of the Board of Directors of the Company

During the financial year 2019-20, the paid up share capital of the Company was Rs. 4,90,00,000 (Rupees Four Crore Ninety Lakh Only) and hence, the Company was not covered under the ambit of the thresholds under rule 4 of the Companies (Appointment and Qualification of Directors Rules) 2014 read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and thus the Company was not required to constitute Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

14. Corporate Social Responsibility (CSR)

During the financial year 2019-20, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility

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(CSR) were not applicable to the Company and as such, the details about the CSR Policy as mentioned in section 134(3)(o) of the Companies Act, 2013 read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable.

15. Disclosure of issue of equity shares with differential rights

During the financial year 2019-20, the Company has not issued equity shares with differential rights as per rule 4 of the Companies (Share Capital and Debentures) Rules, 2014 and as such, reporting requirements as mentioned in rule 4(4) of the said Rules are not applicable.

16. Disclosure of issue of sweat equity shares

During the financial year 2019-20, the Company has not issued sweat equity shares as per section 54 of the Companies Act, 2013 read with rule 8 of the Companies (Share Capital and Debentures) Rules, 2014 and as such, reporting requirements as mentioned in rule 8(13) of the said Rules are not applicable.

17. Disclosure of voting rights not exercised by the employees

There is no scheme approved by the Company through special resolution pursuant to section 67(3)(b) of the Companies Act, 2013 for the purchase of, or subscription for, fully paid-up shares in the Company or its holding company and as such, disclosure requirements related to voting rights not exercised by the employees as mentioned in the said section read with rule 16(4) of the Companies and Debentures) Rules, 2014 are not applicable.

18. Disclosure of Employees Stock Option Scheme

The Company has not offered shares to its employees under a scheme of employees' stock option scheme pursuant to section 62(1)(b) of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and as such, the disclosure requirements under rule 12(9) of the said Rules are not applicable.

19. Key Managerial Personnel

During financial year 2019-20, no Key Managerial Personnel was required to be appointed pursuant to provisions of section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

20. Establishment of vigil mechanism

During the financial year 2019-20, the provision relating to establishment of vigil mechanism for providing adequate safeguards against victimization of employees and directors who avail of the vigil mechanism pursuant to section 177(9) of the Companies Act, 2013 read with rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 were not applicable to the Company and as such the reporting requirement as per section 177(10) of the Companies Act, 2013 is not applicable.

21. Disclosure of receipt of commission by Managing Director or Whole-time Director from holding company or subsidiary company

There is no Managing Director appointed by the Company and hence, the disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable to the Company.

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22. Statement on Remuneration of Employees as per rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Being an unlisted Company, the provisions of 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

23. Company's policy on Director's appointment and remuneration Key Managerial Personnel and other employees

During the financial year 2019-20, the Company was not covered under the ambit of the thresholds under rule 4 of the Companies (Appointment and Qualification of Directors Rules) 2014 read with rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as such it was not required to constitute the Nomination and Remuneration Committee of the Board of Directors of the Company. However, the Company has followed due procedure relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under section 178(3) of the Companies Act, 2013.

24. Statutory Auditors

During the financial year 2019-20, the Board of Directors at its meeting held on June 24, 2019 appointed M/S. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) as the First Auditors of the Company to hold office till the conclusion of the 1st (first) Annual General Meeting.

The Board at its meeting held on May 23, 2020 had proposed to the members to appoint of M/S. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) as the Statutory Auditors of the Company to hold office from the conclusion of 1st (first) Annual General Meeting till the conclusion of 6th (sixth) Annual General Meeting of the Company. M/S. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) have given their consent, to act as Statutory Auditors of the Company and a certificate to the effect that their appointment as Statutory Auditors, is in compliance with section 141 of the Companies Act, 2013, if made at the ensuing 01st (first) Annual General Meeting of the members of the Company

25. Auditors' Report

The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments. The Notes to Accounts forming part of the financial statements are also self-explanatory and needs no further explanation.

Further, there are no qualification, reservation or adverse remark or disclaimer in the Auditors' Report which requires any explanations or comments by the Board of Directors of the Company.

26. Cost Record

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2019-20, the Company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

27. Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013

During the financial year 2019-20, the Company has not given any loan or guarantees or provided any security or made an investment pursuant to provisions of section 186 of the Companies Act, 2013.

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28. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013

The Policy on Related Party Transactions, was approved by the Board at its meeting held on May 31, 2019 and is available at the registered office of the Company. During the financial year 2019-20, all contracts/arrangements/transactions entered into by your Company with Related Parties were on arm's-length basis and in the ordinary course of business. The details of contracts/ arrangements/transactions with Related Parties of your Company referred to in sub-section (1) of section 188 of the Companies Act, 2013 are given in Form No. AOC. 2 (**Annexure - A**) pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 and forms a part of this Report.

29. The details relating to deposits, covered under Chapter V of the Companies Act, 2013

During the financial year 2019-20, the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013:

- | | | |
|-------|---|------------------|
| (a) | Accepted during the year | - Nil |
| (b) | Remained unpaid or unclaimed as at the end of the year | - Nil |
| (c) | Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: | |
| (i) | At the beginning of the year | - Not Applicable |
| (ii) | Maximum during the year | - Not Applicable |
| (iii) | At the end of the year | - Not Applicable |

30. The details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013

During the year under review, the Company has not accepted or renewed any deposit within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, and as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

31. Extract of Annual Return

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on March 31, 2020 in Form No. MGT 9 is attached herewith as **Annexure - B** and forms part of this Report.

32. The details in respect of adequacy of internal financial controls with reference to the Financial Statements

The management of the Company has laid down the internal financial controls to be followed by the Company and ensured that such internal financial controls are adequate and operating effectively as required under the provisions of section 134(5)(e) of the Companies Act, 2013. The design, effectiveness and year end testing of the Risk Control Matrix (RCMs) formulated for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information have been verified from time to time by the management.

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33. Risk Management

Your Company recognizes that Risk is an integral part of business and is committed to managing the risk in a pro-active and efficient manner. Accordingly, the Board of Directors of your Company has framed and adopted a comprehensive risk management policy/framework at its meeting held on May 31, 2019. The Board of Directors of your Company are of the opinion that at present, there are no elements of risk, which may threaten the existence of the Company.

34. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo is as under:

- | | |
|--|-------|
| (A) Conservation of energy – | |
| (i) The steps taken or impact on conservation of energy; | - Nil |
| (ii) The steps taken by the company for utilizing alternate sources of energy; | - Nil |
| (iii) The capital investment on energy conservation equipment; | - Nil |
| (B) Technology absorption – | |
| (i) The efforts made towards technology absorption; | - Nil |
| (ii) The benefits derived like product improvement, cost reduction, product development or import substitution; | - Nil |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | |
| (a) The details of technology imported | - Nil |
| (b) The year of import | - Nil |
| (c) Whether the technology been fully absorbed | - Nil |
| (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof | - Nil |
| (iv) The expenditure incurred on Research and Development | - Nil |
| (C) Foreign exchange earnings and outgo | - Nil |

35. Compliance with Secretarial Standards

The applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly complied by the Company.

36. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

During the financial year 2019-20, there were no significant and material orders passed by the regulators or courts or tribunals, which have an impact on the going concern status of the Company and Company's operations in future.

37. Revision of Financial Statements or Board of Directors Report of preceding three financial years

Since the Company has been incorporated on May 27, 2019, the revision of Financial Statements or Board of Directors Report of preceding three financial years is not applicable to the Company.

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38. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the financial year 2019-20 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. Acknowledgement

The Board of Directors extend their sincere thanks to the Bankers, Members, Government Authorities and all others associated with the Company for their kind co-operation, continued support, assistance, trust and confidence reposed by them in the Company. The Board of Directors also expresses its sincere appreciation to team for the performance and results during the financial year 2019-20.



For and on behalf of the Board of Directors of
Aditya Birla Renewables Utkal Limited

(Ravinder Khanna)
Director
DIN: 01005216

(Pawan Kumar Jain)
Director
DIN: 07833315

Place: Mumbai

Date: May 23, 2020

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ANNEXURE -A

FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements/ transactions entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No	Nature of contracts/ transactions/ arrangements	Name of the related party	Nature of relationship	Duration of contracts/ arrangements/ transactions	Salient terms of contracts or arrangements or transactions including the value, if any.	Date of approval by the Board, if any	Amount paid as advances, if any
1	Project Management Fees	Grasim Industries Limited	Ultimate holding Company	Long term Contract	Management Fees for 7 MWp Solar Power Project of Utkal at Doraguda, Odisha. The Order Value for contract is Rs. 96,51,380.	Date of Approval at the beginning of the year June 24, 2019 Date of noting by the Board January 24, 2020	NIL
2	Supervision Monitoring service for Operation and Maintenance Activities	Grasim Industries Limited	Ultimate holding Company	Long term Contract	Supervision Monitoring service for Operation and Maintenance Activities for 7 MWp Solar Power Project of Utkal at Doraguda, Odisha. The Order Value for 1 st Year Contract is Rs. 1,92,500.	Date of Approval at the beginning of the year June 24, 2019 Date of noting by the Board January 24, 2020	NIL



For and on behalf of the Board of Directors of
Aditya Birla Renewables Utkal Limited

(Ravinder Khanna)
Director

DIN: 01005216

(Pawan Kumar Jain)
Director

DIN: 07833315

Place: Mumbai

Date: May 23, 2020

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ANNEXURE - B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 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	U40300MH2019PLC325878
(ii)	Registration Date	May 27, 2019
(iii)	Name of the Company	Aditya Birla Renewables Utkal Limited
(iv)	Category / Sub-Category of the Company	Company limited by shares Indian Non-Government Company
(v)	Address of the Registered of the Company	A-4, Aditya Birla Centre, S K Ahire Marg, Worli, Mumbai- 400030, Maharashtra, India
(vi)	Whether listed company	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) Karvy Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India, 500032 P: 1800 419 8283

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Electric Power Generation using Solar Energy	35105	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Aditya Birla Renewables Limited A-4, Aditya Birla Centre, S K Ahire Marg, Worli, Mumbai- 400030, Maharashtra, India	U40300MH2015PLC267263	Holding Company	74%	Section 2(46) of the Companies Act, 2013
2	Grasim Industries Limited Birlagram, Nagda, Ujjain - 456331 Madhya Pradesh, India	L17124MP1947PLC000410	Ultimate Holding Company	Holding 74% through Aditya Birla Renewables Limited	-

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. as on as on May 27, 2019 (date of incorporation)				No. of Shares held at the end of the year i.e. as on March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	50	0	50	0.00	50	0	50	0.00	0.00
(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	49,950	0	49,950	100.00	48,99,950	0	48,99,950	100.00	0.00
(e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	50,000	0	50,000	100.00	49,00,000	0	49,00,000	100.00	0.00
(2) Foreign									
(a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	50,000	0	50,000	100.00	49,00,000	0	49,00,000	100.00	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

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ADITYA BIRLA RENEWABLES UTKAL LIMITED

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(i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
(a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i. Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	0	0	0	0.00	0	0	0	0.00	0.00
(c) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholder (B) = (B)(1) + (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	50,000	0	50,000	100.00	49,00,000	0	49,00,000	100.00	0.00

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(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. as on May 27, 2019 (date of incorporation)			Shareholding at the end of the year i.e. as on March 31, 2020			% change in shareholding 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	Aditya Birla Renewables Limited	36,950	73.90	0.00	36,25,950	74.00	0.00	0.10
2.	Mr. Ravinder Khanna (Nominee of Aditya Birla Renewables Limited)	10	0.02	0.00	10	0.00	0.00	(0.02)
3	Mr. Amitabh Verma (Nominee of Aditya Birla Renewables Limited)	10	0.02	0.00	10	0.00	0.00	(0.02)
4	Mr. Pawan Kumar Jain (Nominee of Aditya Birla Renewables Limited)	10	0.02	0.00	10	0.00	0.00	(0.02)
5	Mr. Prashant Jain (Nominee of Aditya Birla Renewables Limited)	10	0.02	0.00	0	0.00	0.00	(0.02)
6.	Ms. Shweta Mayekar (Nominee of Aditya Birla Renewables Limited)	0	0.00	0.00	10	0.00	0.00	0.00
7	Mr. Akhil Mundra (Nominee of Aditya Birla Renewables Limited)	10	0.02	0.00	10	0.00	0.00	(0.02)
8	Utkal Alumina International Limited	13,000	26.00	0.00	12,74,000	26.00	0.00	0.00
	Total	50,000	100.00	0.00	49,00,000	100.00	0.00	0.00

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

Sr. No.		Shareholding at the beginning of the year i.e. May 27, 2019 (date of incorporation)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A	At the time beginning of the year				
1	Aditya Birla Renewables Limited	36,950	73.90	36,950	73.90
2	Mr. Ravinder Khanna (Nominee of Aditya Birla Renewables Limited)	10	0.02	10	0.02
3	Mr. Amitabh Verma (Nominee of Aditya Birla Renewables Limited)	10	0.02	10	0.02
4	Mr. Pawan Kumar Jain (Nominee of Aditya Birla Renewables Limited)	10	0.02	10	0.02
5	Mr. Prashant Jain (Nominee of Aditya Birla Renewables Limited)	10	0.02	10	0.02
6	Mr. Akhil Mundra (Nominee of Aditya Birla Renewables Limited)	10	0.02	10	0.02
7	Utkal Alumina International Limited	13,000	26	13,000	26
B	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e. g. allotment / transfer / bonus / sweat equity/merger or amalgamation etc.) Date of allotment of Shares: 07.08.2019 (Allotment of 35,89,000 equity shares to Aditya Birla Renewables Ltd. And 12,61,000 equity shares to Utkal Alumina International Limited pursuant to the Rights Issue Offer)				
1	Aditya Birla Renewables Limited			36,25,950	74.00
2	Utkal Alumina International Limited			12,74,000	26.00
C	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e. g. allotment / transfer / bonus / sweat equity/merger or amalgamation etc.) Date of transfer of Shares: 19.09.2019 (Transferred 10 equity shares from Mr. Prashant Jain (Nominee of Aditya Birla Renewables Limited) to Ms. Shweta Mayekar (Nominee of Aditya Birla Renewables Limited))				
1	Mr. Prashant Jain (Nominee of Aditya Birla Renewables Limited)			0	0.00
2	Ms. Shweta Mayekar (Nominee of Aditya Birla Renewables Limited)			10	0.00
D	At the end of the year				
1	Aditya Birla Renewables Limited	-	-	36,25,950	74.00
2	Mr. Ravinder Khanna (Nominee of Aditya Birla Renewables Limited)	-	-	10	0.00
3	Mr. Amitabh Verma (Nominee of Aditya Birla Renewables Limited)	-	-	10	0.00
4	Mr. Pawan Kumar Jain (Nominee of Aditya Birla Renewables Limited)	-	-	10	0.00

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5	Ms. Shweta Mayekar (Nominee of Aditya Birla Renewables Limited)	-	-	10	0.00
6	Mr. Akhil Mundra (Nominee of Aditya Birla Renewables Limited)	-	-	10	0.00
7	Utkal Alumina International Limited	-	-	12,74,000	26.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

For each of the top 10 shareholders	Shareholding at the beginning of the year i.e. May 27, 2019 (date of incorporation)		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	-	-	-	-
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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. May 27, 2019 (i.e. date of incorporation)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Ravinder Khanna, Director *				
	At the beginning of the year	10	0.02	10	0.02
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease (e. g. allotment / transfer / bonus / sweat equity etc.)			0	(0.02)
	At the end of the year			10	0.00
2	Mr. Pawan Kumar Jain, Director *				
	At the beginning of the year	10	0.02	10	0.02
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease (e. g. allotment / transfer / bonus / sweat equity etc.)			0	(0.02)
	At the end of the year			10	0.00

* Held equity shares as nominee shareholder of Aditya Birla Renewables Limited

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V. INDEBTEDNESS

	Secured Loans excluding Deposits (Rs.)	Unsecured Loans (Rs.) (inter corporate loan)	Deposit (Rs.) / Optionally Fully Convertible Debentures (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
(i) Principal Amount	0	0	0	0
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
• Addition	16,20,14,382	0	0	16,20,14,382
• Reduction	-28,46,602	0	0	-28,46,602
• Interest accrued	0	0	0	0
Net Change	15,91,67,780	0	0	15,91,67,780
Indebtedness at the end of the financial year				
(i) Principal amount	15,92,01,802	0	0	15,92,01,802
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	-34,022	0	0	-34,022
Total (i+ii+iii)	15,91,67,780	0	0	15,91,67,780

Note: The borrowings as per Ind AS financial statements as on March 31, 2020 is Rs. 15,87,91,018

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount (Rs.)
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) of Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify				
5.	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act (Rs.)				

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B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mr. Pawan Kumar Jain	Mr. Ravinder Khanna	Mr. Pavan K Jain	
1.	Independent Directors				
	• Fee for attending board / committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act (Rs.)	-			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		CEO	Company Secretary	CFO	
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) of Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify				
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-

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VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors of
Aditya Birla Renewables Utkal Limited



(Ravinder Khanna)
Director
DIN: 01005216

(Pawan Kumar Jain)
Director
DIN: 07833315

Place: Mumbai

Date: May 23, 2020

Corporate Office: Birla Aurora, 11th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400 030, Maharashtra, India
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INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables Utkal Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

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

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

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



S R B C & COLLP

Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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Responsibility of Management for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



S R B C & C O L L P

Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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- (g) In our opinion, the managerial remuneration for the year ended 31 March 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & C O L L P

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 20036738AAAACH7365

Place of Signature: Mumbai

Date: 23 May 2020

S R B C & COLLP

Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment of the Company, for which title deeds are required, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the provisions of clause 3(ii) of the Order are 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 ("the Act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the products/services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.



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Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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- (c) According to the information and explanations given to us, there are no dues of income tax, duty of custom and cess which have not been deposited on account of any dispute. The provisions relating to sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution and banks. The Company has not issued any debentures.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer/ debt instrument. In our opinion and according to the information and explanations given by the management, monies raised by the Company by way of term loans were applied for the purpose for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.



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(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & C O L L P

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 20036738AAAACH7365

Place of Signature: Mumbai

Date: 23 May 2020

S R B C & C O L L P

Chartered Accountants

Independent Auditors' Report of Aditya Birla Renewables Utkal Limited

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Annexure 2 referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of Aditya Birla Renewables Utkal Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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



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Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these financial statements

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

Opinion

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

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 20036738AAAACH7365

Place of Signature: Mumbai

Date: 23 May 2020

(in Rs.)

Particulars	Notes	As at 31 March 2020
Assets		
Non current assets		
Property, plant and equipment	3	20,00,58,507
Non current tax assets (net)	4	3,81,834
Other non current assets	5	4,65,700
		20,09,06,041
Current assets		
Financial assets		
Trade receivables	6	23,46,248
Cash and cash equivalents	7	3,61,71,121
Other financial assets	8	34,60,934
Other current assets	9	4,19,756
		4,23,98,059
Total assets		24,33,04,100
Equity and liabilities		
Equity		
Equity share capital	10	4,90,00,000
Other equity	11	10,36,735
		5,00,36,735
Liabilities		
Non current liabilities		
Financial liabilities		
Borrowings	12	15,87,91,018
Deferred tax liabilities (net)	13	3,59,902
		15,91,50,920
Current liabilities		
Financial liabilities		
Other financial liabilities	14	3,40,59,157
Other current liabilities	15	57,288
		3,41,16,445
Total liabilities		19,32,67,365
Total equity and liabilities		24,33,04,100

Summary of significant accounting policies
The accompanying notes are an integral part of these financial statements.

2

As per our report attached of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

Per Nitay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 23 May 2020

For and on behalf of Board of Directors of
Aditya Birla Renewables Utkal Limited

Ravinder Khanna
Director
DIN:01005216

Pawan Kumar Jain
Director
DIN:07833315

Place: Mumbai
Date: 23 May 2020



Aditya Birla Renewables Utkal Limited
CIN: U40300MH2019PLC325878
Statement of Profit and Loss for the period ended 31 March 2020

(in Rs.)


Particulars	Notes	For the period from 27 May 2019 to 31 March 2020
Income		
Revenue from operations	16	54,09,614
Other income	17	3,73,722
Total income		57,83,336
Expenses		
Depreciation expenses	3	10,96,436
Finance costs	18	18,96,626
Other expenses	19	13,93,637
Total expenses		43,86,699
Profit for the period before tax		13,96,637
Tax expenses		
Current tax		-
Deferred tax	13	3,59,902
Total tax expenses		3,59,902
Profit for the period after tax		10,36,735
Other comprehensive income		-
Total comprehensive income for the period		10,36,735
Earnings per equity share of Rs. 10 each		
Basic and diluted	20	0.27

Summary of significant accounting policies
The accompanying notes are an integral part of these financial statements.

2

As per our report attached of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003


Per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 23 May 2020

**For and on behalf of Board of Directors of
Aditya Birla Renewables Utkal Limited**


Ravinder Khanna
Director
DIN:01005216

Place: Mumbai
Date: 23 May 2020


Pawan Kumar Jain
Director
DIN:07833315



(in Rs.)	
Particulars	For the period from 27 May 2019 to 31 March 2020
Cash flow from operating activities	
Profit for the period before tax as per the statement of profit and loss	13,96,637
Adjustments for:	
Depreciation expenses	10,96,436
Finance costs	18,69,029
Interest income	(3,42,381)
Profit on sale of fixed asset	(31,341)
Stamp duty on issue of shares	48,500
Operating profit before working capital changes	40,36,880
Working capital adjustments	
Increase in trade receivables	(23,46,248)
Increase in other current assets	(3,85,734)
Increase in other financial liabilities	3,60,350
Increase in other financial assets	(34,55,885)
Increase in other current liabilities	57,288
Cash used in operating activities	(17,33,349)
Income taxes paid	(3,81,834)
Cash used in operating activities	(21,15,183)
Cash flow from investing activities	
Purchase of property, plant and equipment	(16,83,69,912)
Interest received	15,43,290
Proceeds from sale of fixed asset	3,44,750
Cash used in investing activities	(16,64,81,872)
Cash flow from financing activities	
Proceeds from issue of equity shares	4,90,00,000
Stamp duty on issue of shares	(48,500)
Proceeds from borrowings	15,92,01,802
Loan processing charges	(5,38,524)
Interest paid	(28,46,602)
Cash generated from financing activities	20,47,68,176
Net increase in cash and cash equivalents	3,61,71,121
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at the end of the period (note 7)	3,61,71,121

For the purpose of cash flow statement, cash and cash equivalents comprise the following:

(in Rs.)	
Particulars	As at 31 March 2020
Balance with banks	
On current accounts	11,71,121
Fixed deposits with original maturity of less than three months	3,50,00,000
Total	3,61,71,121

Note: Cash flow statement has been prepared under indirect method set out in Ind AS 7, prescribed under Companies (Indian Accounting Standard Rules), 2015 of the Companies Act, 2013.

Summary of significant accounting policies (note 2)

The accompanying notes are an integral part of these financial statements.

As per our report attached of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

Per Nilay Mandal
Membership No.: 36738
Place: Mumbai
Date: 23 May 2020

For and on behalf of the Board of Directors of
Aditya Birla Renewables Utkal Limited

Ravinder K. Khanna
Director
DIN:01005216

Pawan Kumar Jain
Director
DIN:07833315

Place: Mumbai
Date: 23 May 2020



Aditya Birla Renewables Utkal Limited
CIN: U40300MH2019PLC325878
Statement of Changes in Equity for the period ended 31 March 2020

A) Equity share capital

Particulars	No. of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Issue of equity share capital (note 10)	49,00,000	4,90,00,000
As at 31 March 2020	49,00,000	4,90,00,000

B) Other equity


Particulars	Surplus in the statement of profit & loss	Total
As at 27 May 2019		
Additions during the period (note 11)	10,36,735	10,36,735
Closing balance as at 31 March 2020	10,36,735	10,36,735

Summary of significant accounting policies (note 2)

The accompanying notes are an integral part of these financial statements.

As per our report attached of even date


For S R B C & CO LLP
Chartered Accountants
ICA Firm Registration No.: 324982E/E300003


Per Vijay Maniar
Membership No.: 36738
Place: Mumbai
Date: 23 May 2020

For and on behalf of the Board of Directors of
Aditya Birla Renewables Utkal Limited


Ravinder Khanna
Director
DIN:01005216

Place: Mumbai
Date: 23 May 2020


Pawan Kumar Jain
Director
DIN:07833315



1. Corporate information

Aditya Birla Renewables Utkal Limited ('the Company') is a public limited Company incorporated on 27 May 2019 and domiciled in India having its registered office located at A-4, Aditya Birla Centre, S K Ahire Marg, Worli, Mumbai-400 030, Maharashtra, India. Its Holding Company is Aditya Birla Renewables Limited with 74% shareholding and Utkal Alumina International Limited is an associate of the Company with 26% shareholding.

The Company is primarily engaged in the business of generation and supply of solar power to Utkal Alumina International Limited for captive consumption purpose.

The financial statements were authorized for issue in accordance with a resolution of the directors on 23 May 2020.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at carrying value which approximates the amortized cost and derivative instruments are measured at fair values at each balance sheet date, as explained in the accounting policies below.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The financial statements are presented in Indian Rupees ('Rs'), which is also the Company's functional currency.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification as per the requirements of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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



All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

b. Foreign currencies

Transactions and balances

Transactions in foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions.

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

Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit or loss.

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

c. Fair value measurement

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

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques, wherever required, for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable other than quoted prices include in level 1



- Level 3 — Valuation techniques, wherever required, for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, the Company has determined classes of assets 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.

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

d. Revenue recognition

(i) Revenue from sale of solar power

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered at the contracted rate.

Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate as the customer simultaneously receives and consumes the benefits of the Company's performance obligation, as it best depicts the value to the customer and complete satisfaction of performance obligation. The Company has identified supply of power over the term of PPA as a single performance obligation and is recognizing revenue over time using a single measure of progress. Accordingly, the Company recognizes revenue for the amount it has the right to invoice (i.e., on an as-invoiced basis) since the amount corresponds to the value it transfers to the customer.

The customer is billed on a monthly basis and is given an average credit period of 7 to 15 days for payment.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods.

Contract balances

(a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(b) Trade receivables

A receivable represents the Company's unconditional right to an amount of consideration (i.e., only the passage of time is required before payment of the consideration is due).



(c) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(d) Unbilled Revenue

Unbilled revenue represents services rendered by the Company but not invoiced as at the balance sheet date.

(ii) Interest income

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable. Interest income on fixed deposit receipts is included in other income in the statement of profit and loss.

e. Taxes

Tax expense comprises of current tax and deferred tax charge or credit.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Tax relating to items recognized directly in other comprehensive income is recognized in other comprehensive income and not in the statement of profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

f. Property, plant and equipment (PPE)

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the statement of profit and loss during the period in which they are incurred.

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets

- Plant and equipment: 30 years
- Building: 30 years

The Company, based on technical assessment made by management estimate, depreciates plant and equipment and building over estimated useful lives, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress includes cost of property, plant and equipment under installation/development as at the reporting date and is stated at cost, net of accumulated impairment loss, if any.

g. Borrowing costs

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

h. Leases

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assessed whether:



- the contract involves the use of identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

Company as Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.c

(a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the lease term. Right-of-use assets are subject to impairment test.

(b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The Company has applied exemption not to recognize right-of-use assets and lease liabilities for short term leases that have a 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 over the term of 12 months. The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and lease liabilities in 'Borrowings' in the Balance Sheet.

(c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

i. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation.

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, is disclosed



as a contingent liability. Contingent liabilities are also 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. Contingent liabilities are possible but not probable obligations as on reporting date, based on the available evidence. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement of financial assets and financial liabilities

Financial assets and Financial liabilities are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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

Financial Assets:

(i) Classification and subsequent measurement of financial assets

A financial asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(ii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments - for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

(iii) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.



On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss.

Financial liabilities and equity instruments:

(i) Classification of financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified, at initial recognition:

- At fair value through profit or loss,
- Loans and borrowings,
- Payables or,
- As derivatives designated as hedging instruments in an effective hedge, if any

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, they are recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, including derivative financial instruments.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities designated upon initial recognition as FVTPL. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition of financial liabilities

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the



financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss.

k. Intangible Assets

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

l. Government Grants

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses of the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

m. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with original maturity of less than and more than three months.

n. Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of Company (after deducting preference dividends and attributable taxes, if any) by the weighted average



Aditya Birla Renewables Utkal Limited

CIN: U40300MH2019PLC325878

Notes to Financial Statements for the period ended 31 March 2020

number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



Aditya Birla Renewables Uttkal Limited
CIN: U40300MH2017PLC296313
Notes to Financial Statements for the period ended 31 March 2020

3. Property, plant and equipment

Sr. No.	Particulars	Location	Gross Block				Depreciation				Net Block	
			At 27 May 2019	Additions	Disposals	At 31 March 2020	At 27 May 2019	Charge for the period	Disposals	At 31 March 2020	At 31 March 2020	At 31 March 2020
1	Plant and equipment	Utkal (7 MWp DC)	-	19,47,42,991	3,13,409	19,44,29,582	-	10,66,464	801	10,65,663	19,33,63,919	
2	Building	Utkal (7 MWp DC)	-	67,25,361	-	67,25,361	-	30,773	-	30,773	66,94,588	
	Total		-	20,14,68,352	3,13,409	20,11,54,943	-	10,97,237	801	10,96,436	20,06,58,507	

Property plant and equipment pledged as security

Property, plant and equipment has been pledged as security for borrowings by the Company (note 12).

Capitalised borrowing costs

During the period ended 31 March 2020, the amount of borrowing costs capitalised is Rs 10,71,291. The rate used to determine the amount of borrowing costs eligible for capitalisation is mentioned in note 12.



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Notes to Financial Statements for the period ended 31 March 2020

4. Non current tax assets (net)

(in Rs.)

Particulars	As at 31 March 2020
Advance income tax and TDS receivable (net of provision Rs. Nil)	3,81,834
Total	3,81,834

5. Other non current assets

(in Rs.)

Particulars	As at 31 March 2020
Capital advances	4,65,700
Total	4,65,700

6. Trade receivables

(in Rs.)

Particulars	As at 31 March 2020
Receivables from related parties (note 22)	23,46,248
Total	23,46,248

Break up for security details

(in Rs.)

Particulars	As at 31 March 2020
Secured, considered good	-
Unsecured, considered good	23,46,248
Trade receivables which have significant increase in credit risk [note 26(C)(a)]	-
Trade receivables - credit impaired [note 26(C)(a)]	-
Total	23,46,248

No trade or other receivable is due from directors or other officers of the company either severally or jointly with any other person. No receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 22.

Trade receivables are generally on terms as set out in the Power Purchase Agreement (PPA).

7. Cash and cash equivalents

(in Rs.)

Particulars	As at 31 March 2020
Balance with banks	
On current accounts	11,71,121
Deposits with original maturity of less than three months	3,50,00,000
Total	3,61,71,121

Short term deposits are made for varying periods between seven and ninety days, depending on the immediate cash requirements of the Company and earn interest at the respective short term deposit rates.

8. Other financial assets

(in Rs.)

Particulars	As at 31 March 2020
Accrued interest on deposits	5,049
Unbilled revenue (note 22)	30,49,080
Other receivables (note 22)	4,06,805
Total	34,60,934

9. Other current assets

(in Rs.)

Particulars	As at 31 March 2020
Security deposits	10,000
Prepayments	4,09,756
Total	4,19,756



10. Equity share capital

(in Rs.)

Particulars	As at 31 March 2020
Authorised share capital	
50,00,000 Equity shares of Rs. 10 each	5,00,00,000
	5,00,00,000
Issued equity share capital	
49,00,000 equity shares of Rs. 10 each issued, subscribed and fully paid	4,90,00,000
	4,90,00,000

(a) Reconciliation of issued equity share capital

(in nos.)

Particulars	As at 31 March 2020
Issue of shares during the period	49,00,000
Number of shares outstanding at the end of the period	49,00,000

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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

- (c) Aditya Birla Renewables Limited is the Holding Company with 74% shareholding and Utkal Alumina International Limited is an associate of the Company with 26% shareholding. Grasim Industries Limited is the ultimate Holding Company through its 100% share holding in Aditya Birla Renewables Limited.

(d) Details of shareholders holding more than 5% shares in the Company:

Name of shareholder	As at 31 March 2020	
	Number of shares	% holding
Aditya Birla Renewables Limited	36,26,000	74%
Utkal Alumina Industries Limited	12,74,000	26%
Total	49,00,000	100%

11. Other equity

(in Rs.)

Particulars	As at 31 March 2020
Profit for the period	10,36,735
Closing balance	10,36,735



12. Borrowings

(in Rs.)

Particulars	As at 31 March 2020
Secured	
Letter of credit discounted	15,87,91,018
Total	15,87,91,018

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Letter of credit discounted				
RBL Bank Limited	15,92,01,802	15,87,91,018	7.80%	The loan is repayable in such structured quarterly instalments beginning from 31 December 2019 or such later date as per the terms of the loan agreement when the letter of credit discounted will be converted into term loan as per the credit facility arrangement of the Company. However, the maturity of the loan shouldn't exceed beyond 31 December 2039.

Security

This facility is secured as follows:

- 1) First charge on the project's PPE, intangibles assets and goodwill, both present and future, located at Utikal, Odisha.
- 2) Exclusive charge on project's current assets, all cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, uncalled capital, present and future.
- 3) Exclusive charge on collection account, debt service reserve account and other reserves and any other bank accounts of the Company except dividend distribution account

Loan covenants

Bank loan contains certain debt covenants relating to limitations on indebtedness, debt-equity ratio, debt service coverage ratio, total outstanding liability to net worth ratio and fixed asset coverage ratio. These covenants are to be tested as per the terms and conditions of the loan agreement. The Company has not defaulted on any loans which were due for payment.

13. Deferred tax liabilities (net)

(in Rs.)

Particulars	Charge for the period	As at 31 March 2020
Deferred tax assets		
Share issue expenses	(1,24,135)	(1,24,135)
Business loss (note a)	(91,17,762)	(91,17,762)
	(92,41,897)	(92,41,897)
Deferred tax liabilities		
Accelerated depreciation for tax purposes	96,01,799	96,01,799
	96,01,799	96,01,799
Deferred tax liabilities (net)	3,59,902	3,59,902

- a) Recognized on business losses which will be available to offset future taxable income of the Company.

Reconciliation of effective tax rate

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(in Rs.)

Particulars	For the period from 27 May 2019 to 31 March 2020
Profit before tax as per the statement of profit and loss	13,96,637
Statutory tax rate applicable	25.17%
Computed tax expense	3,51,534
Tax effect of:	
Disallowed expenses	481
Gain on sale of fixed assets	7,888
Total	8,369
Tax expense recognised in the statement of profit and loss	3,59,902
Effective tax rate	25.77%

14. Other financial liabilities

(in Rs.)

Particulars	As at 31 March 2020
Liability towards capital expenditure including retention money (note 22)	3,36,98,807
Provision for expenses	3,58,350
Other payables	2,000
Total	3,40,59,157

15. Other current liabilities

(in Rs.)

Particulars	As at 31 March 2020
Statutory liabilities	
Tax deducted at source	57,288
Total	57,288



16. Revenue from operations

(in Rs.)

Particulars	For the period from 27 May 2019 to 31 March 2020
Solar power generation (note 22) 7 MWp DC at Utkal (Chhattisgarh)	53,95,328
Other operating income	
Scrap sale	14,286
Total	54,09,614

The Company has one principal customer i.e. Utkal Alumina International Limited for its solar power project. The Company has entered into Power Purchase Agreement (PPA) with the customer for supply of solar power.

The Company operates only in one reportable segment i.e. 'generation and distribution of solar power energy'. The entire revenue from operations pertains to solar power generation. Hence the Company has not further disaggregated operating revenues.

(in Rs.)

Contract balances	As at 31 March 2020
Contract assets	-
Contract liabilities	-
Receivables	
Trade receivables (note 6)	23,46,248
Unbilled revenue (note 8)	30,49,080
Total	53,95,328

Performance obligation is satisfied on the supply of power and payment due is as per the terms of the PPA.

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

17. Other income

(in Rs.)

Particulars	For the period from 27 May 2019 to 31 March 2020
Interest income	3,42,381
Profit on sale of fixed assets	31,341
Total	3,73,722

18. Finance costs

(in Rs.)

Particulars	For the period from 27 May 2019 to 31 March 2020
Interest on borrowings	18,94,369
Interest on late payment of taxes	2,021
Bank charges	236
Total	18,96,626

19. Other expenses

(in Rs.)

Particulars	For the period from 27 May 2019 to 31 March 2020
Legal and professional fees	50,140
Incorporation expenses	6,16,531
Stamp duty on issue of shares	48,500
Rates and taxes	11,760
Payment to auditors (refer note below)	5,76,725
Insurance expenses	63,818
Miscellaneous expenses	26,163
Total	13,93,637

(in Rs.)

Payment to auditors (including GST)	For the period from 27 May 2019 to 31 March 2020
As auditor	
Audit fees	4,72,000
Tax audit fees	88,500
Reimbursement of expenses	16,225
Total	5,76,725



20. Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the period from 27 May 2019 to 31 March 2020
Profit attributable to equity holders (in Rs.)	10,36,735
Weighted average number of equity shares for basic and diluted EPS	37,73,548
Basic and diluted earnings per share (in Rs.)	0.27

21. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Financial instruments management and policies (note 26)
- Capital management (note 26)

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Ind AS 115 - Revenue from contract with customers

The management has considered all the relevant facts and circumstances when applying each step of the model to contracts with the customer in accordance with Ind AS 115, which may have the most significant effect on the amounts recognised in the financial statements. The Company recognises revenue for the amount it has the right to invoice (i.e., on an as-invoiced basis) as the amount corresponds to the value it transfers to the customer.

ii) Ind AS 116 - Leases

Effective 01 April 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise Right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. A contract is, or contains, a lease if the contract conveys the right to control the use of an specified asset for a period of time in exchange for consideration. The Company's property, plant and equipment is the specified asset for the evaluation of this standard.

The Company has evaluated the Power Purchase Agreement (PPA) entered into with its customer, Uttkal Alumina International Limited for lease arrangements under Ind AS 116 'Leases'. The Company has concluded that the arrangement is not in the nature of lease as the customer does not have the right to direct the use of the specified asset and entire control of the asset is with the Company.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, if any, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

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

Useful lives of property, plant and equipment

The Company, based on technical assessment made by management estimate, depreciates plant and machinery and building over estimated useful lives, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Recognition and measurement of provisions and contingencies

Key assumptions about the likelihood and magnitude of an outflow of resources.



22 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the period ended 31 March 2020

(A) Holding Company

Aditya Birla Renewables Limited (74%) (ABReL)

(B) Ultimate Holding Company

Grasim Industries Limited (through its 100% holding in ABReL)

(C) Associate Company

Utkal Alumina International Limited (26%)

(D) Key Managerial personnel

Mr. Ravinder Khanna, Director

Mr. Pawan Kumar Jain, Director

Mr. Pavan Kumar Jain, Director

Details of transactions with related parties:**(in Rs.)**

Sr. No.	Particulars	For the period from 27 May 2019 to 31 March 2020
1	Allotment of equity shares	
	Aditya Birla Renewables Limited	3,62,60,000
	Utkal Alumina International Limited	1,27,40,000
		4,90,00,000
2	Revenue from operations	
	Utkal Alumina International Limited	53,95,328
3	Project management fees	
	Grasim Industries Limited	95,29,843
4	Sale of asset	
	Aditya Birla Renewables Limited	4,06,805

Details of closing balance:**(in Rs.)**

Sr. No.	Particulars	As at 31 March 2020
1	Share capital	
	Aditya Birla Renewables Limited	3,62,60,000
	Utkal Alumina International Limited	1,27,40,000
		4,90,00,000
2	Receivables	
	Aditya Birla Renewables Limited	4,06,805
	Utkal Alumina International Limited	23,46,248
3	Unbilled revenue	
	Utkal Alumina International Limited	30,49,080
4	Project management fees	
	Grasim Industries Limited	87,22,229

Note: Related party relationships as per Indian Accounting Standard (Ind AS 24) have been identified by the management and relied upon by the auditors. All the transactions are carried out at arms length price.

Terms and conditions of transactions with related parties

The transactions with related parties are in the ordinary course of business and are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash for the period ended 31 March 2020. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate.



23 Details of micro enterprises and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

(In Rs.)	
Particulars	31 March 2020
Principal amount due to micro enterprises and small enterprises	13,92,000
Interest due on above	-
Amount of interest paid during the period	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-
Amount of interest accrued and remaining unpaid at the end of accounting period	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-

The information has been given in respect of such vendors to the extent they would be identified as "Micro Enterprises and Small Enterprises" on the basis of information available with the Company and relied upon by the auditors.

24. Segment reporting

For management purpose, the Company is engaged into one reportable business segment i.e. "generation and distribution of solar power energy". No other operating segment has been aggregated to form the above reportable operating segment. The Company's revenue, result, assets and liabilities are reported to the management for the purpose of resource allocation and assessment of segment performance.

25. Categories of Financial Instruments

(In Rs.)		
Particulars	Carrying value	Fair value
	As at 31 March 2020	As at 31 March 2020
Financial assets		
Measured at amortized cost (carrying values approximates the amortized cost):		
Trade receivables (note 6)	23,46,248	23,46,248
Cash and cash equivalents (note 7)	3,61,71,121	3,61,71,121
Other financial assets (note 8)	34,60,934	34,60,934
Financial liabilities		
Measured at amortized cost (carrying values approximates the amortized cost):		
Borrowings (note 12)	15,87,91,018	15,87,91,018
Other financial liabilities (note 14)	3,40,59,157	3,40,59,157

26 Financial risk management objectives and policies

(A) Market Risk

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, payables and borrowings.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure arising from	Measurement	Management
Market Risk			
a) Interest rate risk	Long term borrowings at variable rates	Sensitivity analysis, interest rate movements	Interest rate swaps and loan takeover for long term borrowings diversification
Credit risk	Trade receivables	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counterparties
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Borrowing facilities diversification

(B) Interest Rate risk

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

Interest rate sensitivity analysis

1% increase in interest rates will decrease profit before tax and decrease pre tax equity by Rs. 15,92,018. If the rate is decreased by 1%, the profit before tax will increase and pre-tax equity will increase by an equal amount.

(C) Credit Risk

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks. The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade receivables

Trade receivables consist of principally one customer Utkal Alumina International Limited. The Company has already evaluated the credit worthiness of the party and did not find any credit risk related to trade receivables. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Total trade receivables as on 31 March 2020 is Rs. 23,46,248.

b. Cash and cash equivalents, bank deposits

Credit Risk on cash and cash equivalents and deposits is generally low as the bank has transacted with reputed banks.



(D) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The management is responsible for managing liquidity, funding as well as settlement. Further management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details of financial liabilities further based on contractual undiscounted payments.

As at 31 March 2020	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	85,96,897	1,05,07,319	14,00,97,586	15,92,01,802
Other financial liabilities	3,40,59,157	-	-	-	3,40,59,157
Total	3,40,59,157	85,96,897	1,05,07,319	14,00,97,586	19,32,60,959

(E) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide maximum returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued equity share capital, share premium, and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less cash and cash equivalents divided by total equity.

Particulars	As at 31 March 2020 (in Rs.)
Less- Cash and cash equivalents (note 7)	15,87,91,018
Net debt	(3,61,71,121)
Equity (note 10 & 11)	12,26,19,896
Debt to equity ratio	2.45

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like debt-equity ratio, debt service coverage ratio, total outstanding liability to net worth ratio and fixed assets coverage ratio which are maintained by the Company.

27. Capital commitments and contingent liabilities

There are no capital commitments and contingent liabilities outstanding as at 31 March 2020.

28. The Company has computed the tax expense for the current financial year as per the tax regime announced under Section 115BAA of the IncomeTax Act, 1961. Accordingly the provision for current and deferred tax has been determined at the rate of 25.17%.

29. Due to the outbreak of COVID-19 globally and in India, the Company has made an assessment of the likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company is in the business of generation and supply of solar power to Utikal Alumina International limited for captive consumption. The operations at plants of Utikal Alumina International Limited have not been affected due to COVID-19 and it has been operating as per directives from the Government of India. The availability of power plant to generate electricity as per the demand of the customer is important and this business has been emphasized as an essential service by the Ministry of Power, Government of India. Hence, the Company has ensured not only the availability of its power plants to generate power but has also continued to supply power during the period of lockdown as per the requirement from its customer. Basis above, the management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

30. Prior period comparatives

The Company has been incorporated on 27 May 2019. Accordingly, these financial statements present first year of operations. Hence, prior period comparatives are not available.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

Per Vijay Mania
Partner
Membership No.: 36738
Place: Mumbai
Date: 23 May 2020

For and on behalf of Board of Directors of
Aditya Birla Renewables Utikal Limited

Ravinder Khosla
Director
DIN:01005216

Pawan Kumar Jain
Director
DIN:0783331

Place: Mumbai
Date: 23 May 2020

