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BIG IN YOUR LIFE

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ABNL INVESTMENT LIMITED

BOARD'S REPORT

Dear Shareholders,

The Directors of your Company are pleased to present the 27th Annual Report and the audited financial statements of the Company for the financial year ended 31st March 2021.

FINANCIAL HIGHLIGHTS

The financial performance for the financial year ended 31st March 2021 is summarized below:

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Revenue from operations	5,24,84,635	5,27,50,591
Other Income	1,14,00,808	51,30,450
Total Revenue	6,38,85,443	5,78,81,041
Total Expenses	1,38,16,423	5,40,42,661
Profit before tax	5,00,69,020	38,38,381
Tax Expenses		
-Current tax	86,39,758	9,58,019
-Write back of excess provision for tax related to earlier years	13,23,070	(9,912)
- MAT credit Entitlement	33,97,242	(9,58,019)
- Deferred Tax	(15,91,227)	(8,54,928)
Profit for the year	3,83,00,177	47,03,221
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss	40,52,059	(46,76,106)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(3,72,610)	4,42,053
Other Comprehensive income for the year	36,79,449	(42,34,053)
Total Comprehensive income for the year	4,19,79,626	4,69,168
Basic and diluted earnings per share (Face value of ₹10 each)	1.36	0.17

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Corporate Office: A-4, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai-400030

CIN: U65910GJ1994PLC022685

E: grasim.secretarial@adityabirla.com | T: +91 22 2499 5000

ABNL INVESTMENT LIMITED

OPERATIONS OF THE COMPANY

The Company is engaged in the business of acquisition, purchase, hire or otherwise hold land, buildings, commercial complexes/ buildings, immovable property of any kind or any interest in the same, interalia, for own use or for the purpose of the investment.

DIVIDEND

The Directors of your Company have not recommended any dividend in order to conserve cash for the business operations.

TRANSFER TO RESERVES

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

NAMES OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on 31st March 2021, Sun God Trading and Investment Limited is a wholly-owned subsidiary of the Company. Your Company does not have any Joint venture or Associate Company. The information related to the performance and financial position of the subsidiary as per section 129(3) of the Companies Act, 2013 read with rule 5 and rule 8(1) of the Companies (Accounts) Rules, 2014 in Form No. AOC-1 is attached herewith as **Annexure I**.

SHARE CAPITAL

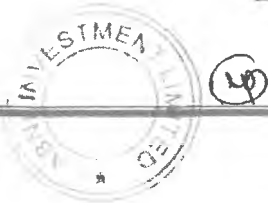
As on 31st March 2021, the Authorized Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crore Only) divided into 4,99,90,000 (Four Crore Ninety Nine Lakh Ninety Thousand) Equity shares of ₹ 10/- (Rupees Ten Only) each aggregating to ₹ 49,99,00,000/- (Rupees Forty Nine Crore Ninety Nine Lakh Only) and 1,000 (One Thousand) Preference Shares of ₹ 100/- (Rupees One Hundred Only) each aggregating to ₹ 1,00,000/- (Rupees One Lakh only). The paid-up share capital of the Company is ₹ 28,14,00,000/- (Rupees Twenty Eight Crore Fourteen Lakh Only) divided into 2,81,40,000 (Two Crore Eighty One Lakh Forty Thousand) Equity shares of ₹ 10/- (Rupees Ten Only) each. During the year under review, there was no change in the Share Capital of the Company.

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PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public falling under section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Particulars of loans, guarantees and investments under section 186 of the Companies Act, 2013 are furnished under relevant notes to the financial statements of the Company.

DIRECTOR(S) AND KEY MANAGERIAL PERSONNEL

As on 31st March 2021, your Board comprises of 3 (Three) Non-Executive Directors. Your Directors on the Board have relevant experience and competency suitable for the business. All Directors are liable to retire by rotation.

Since, the Company is a wholly-owned subsidiary of Grasim Industries Limited and according to the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Company is not required to appoint Independent Directors on its Board and therefore, the Company has not appointed any Independent Directors on the Board of the Company.

Pursuant to the provisions of section 2(51) and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Key Managerial Personnel of the Company as on 31st March 2021 are Mr. Sushil Chopra, Manager, Mr. Parag Laddha, Chief Financial Officer and Mr. Ullash Chandra Parida, Company Secretary.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy.

The Board of Directors met 4 (Four) times during the year on 21st May 2020, 24th July 2020, 26th October 2020 and 25th January 2021. The requisite quorum was present for all the aforesaid meetings. The maximum interval between any two meetings did not exceed 120 days. The attendance and sitting fees paid, if any, for the Financial year 2020-21 are as follows:-

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Name of Directors	Category	No. of Meetings		Sitting fees paid (In ₹)
		Held	Attended	
Mr. Pavan Kumar Jain	Non-Executive Director	4	4	-
Mr. Shriram Jagetiya	Non-Executive Director	4	2	-
Mr. Mahendra Bhandari	Non-Executive Director	4	4	-

DECLARATION BY INDEPENDENT DIRECTOR

Since the Company is not required to appoint independent directors on its Board being a wholly-owned subsidiary of Grasim Industries Limited, the Company has neither appointed any Independent Director nor received any declaration.

ANNUAL EVALUATION

The evaluation framework for assessing the performance of the Directors of your Company comprises of frequency of the meetings, flow of adequate and timely information, working atmosphere, strategic perspective or inputs regarding the growth and performance of your Company, among others.

Pursuant to the provisions of the Companies Act, 2013 the Board of Directors has carried out an annual evaluation of its own performance and Directors of the Board.

The performance of the Board and its Directors was evaluated by the Board of Directors after seeking inputs from all the Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company is committed to maintain the highest standards of Corporate Governance.

Pursuant to sub-section (5) of section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/ received from the operating management, your Directors make the following statement and confirm that:-

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ABNL INVESTMENT LIMITED

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the accounting policies selected have been applied consistently and judgements and estimates are made 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/loss of your Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv) Annual Accounts have been prepared on a 'going concern basis';
- v) your Company has laid down internal financial controls, and that such internal financial controls are adequate and are operating effectively; and
- vi) your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no particulars to report as required under the provisions of section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption considering the nature of activities undertaken by the Company during the year under review. Further, the Company has neither earned nor used any foreign exchange.

STATUTORY AUDITORS

Pursuant to the provisions of section 139(1) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time the members, at the AGM held on 19th July 2017, have approved the appointment of S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 324982E), as the Statutory Auditors of the Company for a period of five consecutive years, to hold office till the conclusion of the 28th AGM of the Company to be held in the year 2022.

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The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the financial year ended 31st March 2021, read with the explanatory notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under section 134(3)(f) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.

COST AUDITORS

The provisions of Cost Auditors as prescribed under section 148 of the Companies Act, 2013 are not applicable to the Company. The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and accordingly such accounts and records are not made and maintained.

SECRETARIAL AUDITORS

The provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

During the financial year under review, your Company entered into related party transactions which were on arm's length basis and in ordinary course of business. All related party transactions are being reviewed by the Board on periodic basis. There are no material transactions with any related party as defined under section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The details of contracts and arrangements with related parties of your Company for the financial year ended 31st March 2021 is given in notes to the financial statements of your Company.

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VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility were not applicable to the Company.

RISK MANAGEMENT

The Company has a Risk Management Framework in place which includes identifying the elements of risk that may threaten the existence or continuance of the operations of the Company.

ANNUAL RETURN

The extract of annual return for the financial year 2020-21 in Form MGT-9 is attached in Annexure II.

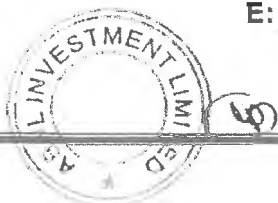
COMMITTEES OF BOARD

AUDIT COMMITTEE

Since, your Company is a wholly-owned subsidiary of Grasim Industries Limited, it is exempted from constituting an Audit Committee of the Board of Directors of the Company.

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ABNL INVESTMENT LIMITED

NOMINATION AND REMUNERATION COMMITTEE

Since, your Company is a wholly-owned subsidiary of Grasim Industries Limited, it is exempted from constituting a Nomination and Remuneration Committee of the Board of Directors of the Company.

PARTICULARS OF EMPLOYEES

The particulars of employees of the Company as required under the provisions of section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

We further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The provision relating to constitution of Internal Complaints Committee is not applicable.

RE-APPOINTMENT OF NON EXECUTIVE DIRECTORS LIABLE TO RETIRE BY ROTATION

In terms of the provisions of section 152(6) of the Companies Act, 2013, Mr. Pavan Kumar Jain, is liable to retire by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

The Directors commend the re-appointment.

DISCLOSURE OF RECEIPT OF COMMISSION BY MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR FROM HOLDING COMPANY OR SUBSIDIARY COMPANY.

The Company has no Managing Director or Whole-Time Director and as such disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

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CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business.

SCHEME OF AMALGAMATION

The Board of Directors of the Company at its meeting held on 18th September 2019 and subsequently, the members and un-secured creditors of the Company at their respective meetings held on 2nd March 2020 approved the Scheme of Amalgamation between Sun God Trading and Investment Limited (SGTIL), the subsidiary company and ABNL Investment Limited (the Company) and their respective shareholders and all concerned (the Scheme) under section 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

The Company has received Order from the Regional Director, Ahmedabad with respect to the Scheme. The Company has filed the Order with the Registrar of Companies (ROC) Ahmedabad. The Order copy has not been received by SGTIL and so the same is not filed with the concerned ROC. The effectiveness of the Scheme will be once the Scheme is filed with the concerned ROC by SGTIL.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Controls commensurate with the size, scale and complexity of its operations to ensure the orderly and efficient conduct of its business.

INTERNAL AUDIT FRAMEWORK

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

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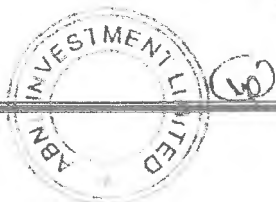
OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares; and
 - Employees Stock Option Scheme.
- Except as otherwise stated herein above, there are no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- There was no revision in the financial statements or Board's Report in preceding three financial years.
- There were no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.

CONVENING ANNUAL GENERAL MEETING THROUGH AUDIO VISUAL MEANS

Considering the continued COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 02/2021 dated 13th January 2021 read with circulars dated General Circular No. 20/2020 5th May 2020; General Circular No. 14/2020 dated 8th April 2020; General Circular No. 17/2020 dated 13th April 2020 (collectively referred to as 'MCA Circulars') permitted convening the Annual General Meeting through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013, the 27th Annual General Meeting of your Company will be convened and conducted through VC/OAVM.

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ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to the banks, financial institutions, stakeholders, and various Government Authorities for their continued support extended to your Company's activities during the year under review.

For and on behalf of the Board of Directors of
ABNL Investment Limited


Pavan Kumar Jain

Director

DIN: 00703624


Mahendra Bhandari

Director

DIN: 07433524



Place: Mumbai

Date: 10th May 2021

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ABNL INVESTMENT LIMITED

Annexure – I

Form No. AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

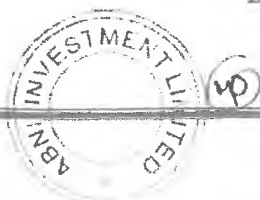
1	Sr. No.	1
2	Name of the Subsidiary	Sun God Trading and Investment Limited
3	The date since when subsidiary was acquired	29 th September 2018
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 st April 2020 to 31 st March 2021
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6	Share Capital	539,000
7	Reserves & Surplus (Other equity – Retained earnings)	6,31,38,930
8	Total Assets	8,01,22,912
9	Total Liabilities	8,01,22,912
10	Investments	8,00,83,659
11	Turnover	5,68,798
12	Profit before taxation (Profit before exceptional items and tax from continuing operations)	5,12,599
13	Provision for taxation	80,000
(a)	Current income tax	80,000
(b)	MAT credit entitlement	(80,000)
(c)	Provision for tax of earlier year written back	436
(d)	Deferred tax assets/(liabilities)	79,082

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14	Profit after taxation	4,33,081
15	Proposed dividend	Nil
16	Extent of shareholding (in percentage)	100%

Note: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	NIL
1. Latest audited Balance Sheet Date	Not Applicable
2. Date on which the Associate or Joint Venture was associated or acquired	Not Applicable
3. Shares of Associate / Joint Ventures held by the company on the year end	Not Applicable
Amount of Investment in Associates / Joint Venture	Not Applicable
Extent of Holding (in percentage)	Not Applicable
4. Description of how there is significant influence	Not Applicable
5. Reason why the associate / joint venture is not consolidated	Not Applicable
6. Networth attributable to Shareholding as per latest audited Balance Sheet	Not Applicable
7. Profit / Loss for the year	Not Applicable
(i) considered in Consolidation	Not Applicable
(ii) Not considered in Consolidation	Not Applicable


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1. Names of associates or joint ventures which are yet to commence operations : NIL
2. Names of associates or joint ventures which have been liquidate or sold during the year : NIL

For and on behalf of the Board of Directors of
ABNL Investment Limited


Pavan Kumar Jain
Director
DIN: 00703624


Mahendra Bhandari
Director
DIN: 07433524



Place: Mumbai
Date: 10th May 2021

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ABNL INVESTMENT LIMITED

Annexure II

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2021

[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:

CIN	:	U67910GJ1994PLC022685
Registration Date	:	4 th August 1994
Name of the Company	:	ABNL Investment Limited
Category / Sub-Category of the Company	:	Public Company Limited by Shares
Address of the Registered office and contact details	:	Indian Rayon Compound, Junagadh, Veraval Road, Veraval, Gujarat – 362266 Telephone- +91 2876 245711
Whether listed company	:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Pvt. Ltd. C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083 Tel- +91 22 49186000; Fax: +91 22 25946969

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:-

Sl. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Real Estate activity	6810	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	Grasim Industries Limited	L17124MP1947PLC000410	Holding	100	2(46)
2	Sun God Trading and Investment Limited	U67120MP1994PLC008446	Subsidiary	100	2(87)

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ABNL INVESTMENT LIMITED

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2020)				No. of Shares held at the end of the year (As on 31-03-2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian#									
a) Individual/HUF	-	16#	16#	0	-	16#	16#	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	28,139,984	-	28,139,984	100	28,139,984	-	28,139,984	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	28,139,984	16	28,140,000	100	28,139,984	16	28,140,000	100	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	28,139,984	16	28,140,000	100	28,139,984	16	28,140,000	100	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

Registered Office: Indian Rayon Compound, Junagadh Veraval Road, Veraval, Gujarat 362266

Corporate Office: A-4, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai-400030

CIN: U65910GJ1994PLC022685

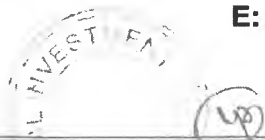
E: grasim.secretarial@adityabirla.com | **T:** +91 22 2499 5000

ABNL INVESTMENT LIMITED

g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	28,139,984	16	28,140,000	100	28,139,984	16	28,140,000	100	-

*Equity Shares held by Individuals as Nominee of Grasim Industries Limited.

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ABNL INVESTMENT LIMITED

ii. SHAREHOLDING OF PROMOTERS: EQUITY SHARE

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01-04-2020			Shareholding at the end of the year as on 31-03-2021			
		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	% change in share holding during the year
1.	Grasim Industries Limited	28,139,984	100	-	28,139,984	100	-	-
2.	Shriram Jagetiya*	1	0	-	1	0	-	-
3.	Mahendra Bhandari*	1	0	-	1	0	-	-
4.	Hutokshi Wadia*	1	0	-	1	0	-	-
5.	Pavan K. Jain*	10	0	-	10	0	-	-
6.	Hemant Kadel*	1	0	-	1	0	-	-
7.	Anil Kumar Ladha*	2	0	-	2	0	-	-
	Total	28,140,000	100	-	28,140,000	100	-	-

*Equity Shares held by Individuals as Nominee of Grasim Industries Limited.

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

There is no change in the Promoters holding during the financial year 2020-21.

iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	For each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
1.	Mr. Shriram Jagetiya*	1	0	1	0
2.	Mr. Mahendra Bhandari*	1	0	1	0
3.	Mr. Pavan K. Jain*	10	0	10	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease- Nil	-	-	-	-
	At the end of the year				
1.	Mr. Shriram Jagetiya*	1	0	1	0
2.	Mr. Mahendra Bhandari*	1	0	1	0
3.	Mr. Pavan K. Jain*	10	0	10	0

*Equity Shares held by Individuals as Nominee of Grasim Industries Limited.

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ABNL INVESTMENT LIMITED

Sl. No.	For each of the KMPs			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				
1.	Mr. Sushil Chopra	0	0	0	0
2.	Mr. Parag Laddha	0	0	0	0
3.	Mr. Ullash Chandra Parida	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease- Nil	-	-	-	-
	At the end of the year				
1.	Mr. Sushil Chopra	0	0	0	0
2.	Mr. Parag Laddha	0	0	0	0
3.	Mr. Ullash Chandra Parida	0	0	0	0

II INDEBTEDNESS:

NIL

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

NIL

B. REMUNERATION TO OTHER DIRECTORS:

NIL

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

Mr. Sushil Chopra, Manager; Mr. Parag Laddha, Chief Financial Officer and Mr. Ullash Chandra Parida, Company Secretary, Key Managerial Personnel of the Company are employees of Grasim Industries Limited (Holding Company) and no remuneration was paid to them by the Company.

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ABNL INVESTMENT LIMITED

IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (UNDER THE COMPANIES ACT):

NIL

For and on behalf of the Board of Directors of
ABNL Investment Limited


Pavan Kumar Jain
Director
DIN: 00703624


Mahendra Bhandari
Director
DIN: 07433524



Place: Mumbai
Date: 10th May 2021

Registered Office: Indian Rayon Compound, Junagadh Veraval Road, Veraval, Gujarat 362266
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INDEPENDENT AUDITOR'S REPORT

To the Members of ABNL Investment Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of ABNL Investment Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, 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 information included in the Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

Responsibility of Management for the Ind AS Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 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.

*ABNL Investment Limited**Independent Auditor's Report – March 31, 2021**Page 3 of 9*

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

S R B C & COLLP

Chartered Accountants

ABNL Investment Limited

Independent Auditor's Report – March 31, 2021

Page 4 of 9

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are applicable to the Company however no managerial remuneration has been paid / provided by the Company during the year ended March 31, 2021;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer note 27 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

VIJAY

Digitally signed by VIJAY

MANIAR

MANIAR

Date: 2021.05.10 20:44:20
+05'30'

per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 21036738AAAADG3339

Place of Signature: Mumbai

Date: May 10, 2021

*ABNL Investment Limited**Independent Auditor's Report – March 31, 2021**Page 5 of 9***Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date****Re: ABNL Investment Limited (“the Company”)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment properties.
- (b) Investment properties 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, the title deeds of immovable properties, included in investment properties are held in the name of the Company, except for the following:

Sr. no.	Asset category	As at March 31, 2021		Total number of cases	Remarks
		Gross block	Net block		
1	Leasehold Building	4,753,499	4,466,682	2	Title deeds are in the name of the erstwhile holding company (Aditya Birla Nuvo Limited) which was merged with Grasim Industries Limited, the current holding company and is in the process of being transferred to the Company

- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 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 Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in payment of property tax. The provisions relating to provident fund, employees' state insurance, sales tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, undisputed amounts in respect of income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding or more than six months

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which amount relates (Financial Year)	Due Date	Payment Date
The Bombay Village Panchayats Act, 1958	Property tax	3,639,192	2018-2019	January 31, 2019	Not paid

The provisions relating to provident fund, employees' state insurance, sales tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (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 (including debt instruments) and term loans hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.
- (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 provisions of section 197 read with Schedule V of the Act are applicable to the Company however no managerial remuneration has been paid / provided by the Company during the year.

S R B C & COLLP

Chartered Accountants

ABNL Investment Limited

Independent Auditor's Report – March 31, 2021

Page 7 of 9

- (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 and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of 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.
- (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 & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

VIJAY

Digitally signed by VIJAY

MANIAR

MANIAR

Date: 2021.05.10 20:45:20

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per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 21036738AAAADG3339

Place of Signature: Mumbai

Date: May 10, 2021

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of ABNL Investment Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of ABNL Investment Limited ("the Company") as of March 31, 2021 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 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 system over financial reporting with reference to these financial statements.

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

A company's internal financial control over financial reporting with reference to these 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 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, an 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 March 31, 2021, 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 issued by the Institute of Chartered Accountants of India.

For S R B C & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

VIJAY

Digitally signed by VIJAY

MANIAR

MANIARDate: 2021.05.10 20:45:55
+05'30'**per Vijay Maniar**

Partner

Membership Number: 36738

UDIN: 21036738AAAADG3339

Place of Signature: Mumbai

Date: May 10, 2021

ABNL INVESTMENT LIMITED
Balance Sheet as at 31st March, 2021

		As at 31st March, 2021	Amount in ₹ As at 31st March, 2020
	Note no.		
I ASSETS			
(1) Non-current assets			
(a) Investment properties	3	35,40,46,038	35,38,52,141
(b) Right-of-use assets	4	8,95,26,864	9,30,05,970
(c) Financial assets			
(i) Investments	5	1,58,10,656	1,10,90,099
(d) Non current tax assets (net)		72,09,601	73,07,307
(e) Deferred tax assets	7	78,54,350	1,13,56,044
		47,44,47,509	47,66,11,561
(2) Current assets			
(a) Financial assets			
(i) Investments	6	10,55,04,004	3,63,95,643
(ii) Cash and cash equivalents	8	25,95,568	3,19,093
(iii) Loans	9	19,42,567	19,42,567
(iv) Other financial assets	10	6,53,654	3,01,92,897
(b) Other current assets	11	1,96,512	1,25,991
		11,08,92,305	6,89,76,191
Total assets		58,53,39,814	54,55,87,752
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12	28,14,00,000	28,14,00,000
(b) Other equity	13	26,81,48,417	22,61,68,791
Total equity		54,95,48,417	50,75,68,791
LIABILITIES			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	14	1,48,67,282	2,23,23,774
(b) Other non current liabilities	15	4,87,140	26,51,908
		1,53,54,422	2,49,75,682
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables		-	9,000
Dues of micro enterprises and small enterprises		-	32,789
Dues of creditors other than micro enterprise and small enterprises		-	-
(ii) Other financial liabilities	16	1,13,85,447	52,39,800
(b) Other current liabilities	17	90,51,528	77,61,690
		2,04,36,975	1,30,43,279
Total liabilities		3,57,91,397	3,80,18,961
Total equity and liabilities		58,53,39,814	54,55,87,752

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration no. 324982E/E300003

VIJAY MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.05.10
20:54:51 +05'30'

Vijay Maniar

Partner

Membership no. 36738

Place : Mumbai

Date : 10th May, 2021

For and on behalf of the Board of Directors
of ABNL Investment Limited

Mahendra Bhandari
Digitally signed by
Mahendra Bhandari
Date: 2021.05.10
18:06:22 +05'30'

Mahendra Bhandari

Director

DIN : 07433524

ULLASH
CHANDRA
PARIDA
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CHANDRA PARIDA
Date: 2021.05.10 17:30:20
+05'30'

Ullash Parida

Company Secretary

Membership No. 8689

Place: Mumbai

Date : 10th May, 2021

Pavan Kumar Jain
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Jain
Date: 2021.05.10
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Pavan Kumar Jain

Director

DIN : 00703624

PARAG LADDHA
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Date: 2021.05.10
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Parag Laddha

Chief Financial Officer

ABNL INVESTMENT LIMITED
Statement of Profit and Loss for the year ended 31st March, 2021

			Amount in ₹
	Note no.	Year ended 31st March, 2021	Year ended 31st March, 2020
INCOME			
Revenue from contracts with customers	18	5,24,84,635	5,27,50,591
Other income	19	1,14,00,808	51,30,450
Total income		6,38,85,443	5,78,81,041
EXPENSES			
Finance cost	20	27,48,971	18,80,026
Depreciation expenses	3 & 4	63,19,063	63,56,643
Other expenses	21	47,48,389	4,58,05,991
Total expenses		1,38,16,423	5,40,42,660
Profit before tax		5,00,69,020	38,38,381
Tax expenses			
Current tax		86,39,758	9,58,019
<u>MAT credit</u>			
MAT credit utilisation/(entitlement)		33,97,242	(9,58,019)
Tax adjustments relating to earlier period		13,23,070	(9,912)
		47,20,312	(9,67,931)
Deferred tax		(15,91,227)	(8,54,928)
Income tax expenses	26	1,17,68,843	(8,64,840)
Profit for the year		3,83,00,177	47,03,221
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Fair value carried through OCI		40,52,059	(46,76,106)
Income tax on above		(3,72,610)	4,42,053
Other comprehensive income for the year		36,79,449	(42,34,053)
Total comprehensive income for the year		4,19,79,626	4,69,168
Basic and diluted earnings per share (Face value of ₹ 10/- each)	22	1.36	0.17
Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration no. 324982E/E300003
VIJAY MANIAR
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VIJAY MANIAR
Date: 2021.05.10
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Vijay Maniar
Partner
Membership no. 36738

Place : Mumbai
Date : 10th May, 2021

For and on behalf of Board of Directors
of ABNL Investment Limited

Mahendra Bhandari
Digitally signed
by Mahendra
Bhandari
Date: 2021.05.10
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Mahendra Bhandari
Director
DIN : 07433524

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Date: 2021.05.10 17:30:47
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Ullash Parida
Company Secretary
Membership No. 8689

Place: Mumbai
Date : 10th May, 2021

Pavan Kumar Jain
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Pavan Kumar Jain
Date: 2021.05.10
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Pavan Kumar Jain
Director
DIN : 00703624

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Date: 2021.05.10
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Parag Laddha
Chief Financial Officer

ABNL INVESTMENT LIMITED
Cash flow statement for the year ended 31st March, 2021

Amount in ₹

PARTICULARS	31st March, 2021		31st March, 2020	
A Cash flows from operating activities				
Profit before tax		5,00,69,020		38,38,381
Adjustments for:				
Depreciation expenses	63,19,063		63,56,643	
Interest on Inter corporate deposit	(25,43,423)		-	
Unwinding of deferred rent income	(27,61,529)		(19,93,657)	
Net gain on sale of investment	(52,40,190)		(27,94,633)	
Fair value gain on financial instruments measured at FVTPL	(6,55,303)		(3,42,160)	
Miscellaneous income	(2,00,363)		-	
Interest expense on lease deposit	27,48,233		18,68,983	
Interest on others	738		11,043	
		(23,32,774)		31,06,219
Operating profit before working capital changes		4,77,36,246		69,44,600
Adjustments for:				
Decrease / (increase) in loans, financial and current assets	2,94,68,721		(2,97,04,465)	
Increase / (decrease) in trade, financial and other payables	(1,92,822)	2,92,75,899	23,98,527	(2,73,05,938)
Cash generated from operations		7,70,12,145		(2,03,61,338)
Direct taxes paid (net)		(85,42,051)		(54,54,554)
Net cash flows from / (used in) operating activities		6,84,70,094		(2,58,15,892)
B Cash flows from investing activities				
Purchase of investment properties, including properties under development	(48,54,938)		(60,43,807)	
Purchase of non-current investments	(6,68,498)		-	
Inter corporate deposit given	(21,50,00,000)		-	
Repayment of inter corporate deposit given	21,50,00,000		-	
Interest received	25,43,423		-	
Purchase of investments	(30,61,90,480)		(8,12,53,487)	
Redemption of investments	24,29,77,612		11,28,21,413	
		(6,61,92,881)		2,55,24,119
Net cash flows from / (used in) investing activities		(6,61,92,881)		2,55,24,119
C Cash flows from financing activities				
Receipt of inter corporate deposits	-		4,00,00,000	
Repayment of inter corporate deposits	-		(4,00,00,000)	
Interest paid	(738)		(11,043)	
Temporary finance received	12,60,00,000		-	
Temporary finance repaid	(12,60,00,000)		-	
		(738)		(11,043)
Net cash flows from / (used in) financing activities		(738)		(11,043)
Net increase / (decrease) in cash and cash equivalents		22,76,475		(3,02,816)
Cash and cash equivalents at the beginning of the period		3,19,093		6,21,909
Cash and cash equivalents at the end of the period (refer note 8)		25,95,568		3,19,093

Notes:

- (i) Statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 of the Companies Act, 2013.
- (ii) Figures in brackets indicate cash outgo.

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration no. 324982E/E300003

VIJAY MANIAR
Digitally signed by
VIJAY MANIAR
Date: 2021.05.10
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Vijay Maniar
Partner
Membership no. 36738

Place : Mumbai
Date : 10th May, 2021

For and on behalf of Board of Directors
of ABNL Investment Limited

Digitally signed
by Mahendra
Bhandari
Date: 2021.05.10
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Mahendra Bhandari
Director
DIN : 07433524

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PARIDA
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CHANDRA PARIDA
Date: 2021.05.10 17:31:04
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Ullash Parida
Company Secretary
Membership No. 8689

Place : Mumbai
Date : 10th May, 2021

Pavan Kumar Jain
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by Pavan Kumar
Jain
Date: 2021.05.10
19:08:25 +05'30'

Pavan Kumar Jain
Director
DIN : 00703624

PARAG
LADDHA
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PARAG LADDHA
Date: 2021.05.10
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Parag Laddha
Chief Financial Officer

ABNL INVESTMENT LIMITED
Statement of changes in equity for the year ended 31st March, 2021

(A) Equity share capital
For the year ended 31st March, 2021

Particulars	Amount in ₹	
	31st March 2021	31st March 2020
28,140,000 equity shares of ₹ 10 each issued, subscribed and fully paid up		
Balance at the beginning	28,14,00,000	28,14,00,000
Balance at the end of the year	28,14,00,000	28,14,00,000

(B) Other equity
For the year ended 31st March, 2021

For the year ended 31st March, 2021						Amount in ₹
Particulars	Reserve and surplus				Items of other comprehensive income	Total equity
	Retained earnings		Other reserves			
	Surplus as per statement of profit and loss	General reserve	Securities premium	Capital redemption reserve	Fair value through other comprehensive income - Reserve	
Balance as of 1st April, 2020	15,83,12,964	3,98,30,000	2,85,60,000	2,00,000	(7,34,173)	22,61,68,791
Profit for the year	3,83,00,177	-	-	-	-	3,83,00,177
Other comprehensive income/(loss) for the period						
Fair value gain/(loss) on FVOCI financial assets	-	-	-	-	36,79,449	36,79,449
Total comprehensive Income	3,83,00,177	-	-	-	36,79,449	4,19,79,626
Balance as at 31st March, 2021	19,66,13,141	3,98,30,000	2,85,60,000	2,00,000	29,45,276	26,81,48,417

For the year ended 31st March 2020					Amount in ₹	
Particulars	Reserve and surplus				Items of other comprehensive income	Total equity
	Retained earnings		Other reserves		Fair value through other comprehensive income - Reserve	
	Surplus as per statement of profit and loss	General reserve	Securities premium	Capital redemption reserve		
Balance as at 1st April, 2019	15,36,09,742	3,98,30,000	2,85,60,000	2,00,000	34,99,880	22,56,99,622
Profit for the year	47,03,221	-	-	-	-	47,03,221
Other comprehensive income/(loss) for the period						
Fair value gain/(loss) on FVOCI financial assets	-	-	-	-	(42,34,053)	(42,34,053)
Total comprehensive income	47,03,221	-	-	-	(42,34,053)	4,69,168
Balance as at 31st March, 2020	15,83,12,964	3,98,30,000	2,85,60,000	2,00,000	(7,34,173)	22,61,68,791

Significant accounting policies
The accompanying notes are an integral part of the financial statements

2

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration no. 324982E/E300003
VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.05.10 20:57:51 +05'30'
Vijay Maniar
Partner
Membership no. 36738

Place : Mumbai
Date : 10th May, 2021

For and on behalf of Board of Directors
of ABNL Investment Limited

Mahendra a Bhandari
Digitally signed by Mahendra Bhandari
Date: 2021.05.10 18:09:29 +05'30'

Mahendra Bhandari
Director
DIN : 07433524

ULLASH CHANDRA PARIDA
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Date: 2021.05.10 17:31:28 +05'30'

Ullash Parida
Company Secretary
Membership No. 8689

Place : Mumbai
Date : 10th May, 2021

Pavan Kumar Jain
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Date: 2021.05.10 19:09:12 +05'30'

Pavan Kumar Jain
Director
DIN : 00703624

PARAG LADDHA
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Date: 2021.05.10 17:44:10 +05'30'

Parag Laddha
Chief Financial Officer

ABNL INVESTMENT LIMITED

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

1. Corporate information

ABNL Investment Limited is a Public Limited Company incorporated on 04th August, 1994 and domiciled in India, having its registered office at Indian Rayon Compound, Veraval, Gujarat, India.

The Company is mainly involved in the business of investing in properties and leasing it on rent to the lessee.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 10th May, 2021.

2. Significant accounting policies

i. Basis of preparation

The Company has prepared financial statements in compliance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirement of Division II of Schedule III to the Companies Act, 2013.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

The financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency, and currency of the primary economic environment in which the Company operates and all values are rounded to the nearest rupee, except otherwise indicated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

ii. Investment properties

Investments in land and building (including property under construction) which are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are initially measured at cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021**

Depreciation of investment property is provided on straight line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under

Assets	Estimated useful lives
Freehold land	-
Freehold buildings	60 years

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use.

iii. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

iv. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Rental Income

Rental income is accounted on straight line basis on the lease term is included in the statement of profit and loss.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income (OCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

v. Leases

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

When the company is the 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.

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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Estimated useful lives
Leasehold land	Over the lease period
Leasehold building	Over the lease period

The right-of-use assets are also subject to impairment.

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.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021**Where the company is the lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

vi. Financial instruments

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

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

Initial recognition and measurement of financial assets and financial liabilities

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 and ancillary costs related to borrowings) 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.

A. 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.

Fair Value through profit or loss:

A financial asset shall be measured at FVTPL unless it is measured at amortised cost or at fair value through other comprehensive Income.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Amortised cost:

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through OCI:

A financial asset shall be measured at fair value through other comprehensive income (FVOCI) if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 de-recognition 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 OCI and accumulated in equity is recognised in statement of profit and loss.

B. 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 as either financial liabilities at amortised cost or Fair value through profit and loss (FVTPL).

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.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021****Financial liabilities at amortised cost**

Other Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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.

vii. Fair value measurement

The Company measures financial instruments, such as investments at fair values 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.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021**

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

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 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable other than quoted prices included in level 1.

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

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

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

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

viii. 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.

ix. Cash and cash equivalents

Cash and Cash Equivalents comprise cash on hand, cash at bank and cheques in hand.

x. Income taxes

Income tax expenses comprise 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 taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021**

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

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 equity or OCI is recognized in equity or OCI and not in the statement of profit or loss.

Deferred tax liabilities are recognised for all deductible temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable.

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 recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xi. 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.

xii. 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 number of equity shares outstanding during the period.

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.

xiii. Provisions and contingencies

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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.

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.

xiv. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements, in conformity, with the Ind AS 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 as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Key assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, 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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of investment properties

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired, using its technical expertise along with industry trends for determining the economic life of an asset and reviewed periodically, including at each financial year end. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized on long term capital loss due to non-existence of probability of tax payable income against which the assets can be realised (refer note 7).

xv. Changes in accounting policies and disclosures

During the year ended 31st March, 2020, the Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 Leases

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

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have significant impact since the Company is lessor in most of the leasing arrangements.

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March, 2021**

The Company has adopted Ind AS 116 using the modified retrospective approach. The Company has recognised right-to-use asset amounting to Rs. 94,701,573 as on 1st April, 2019.

NOTE: 3
Investment properties

						Amount in ₹
Particulars	Freehold land	Leasehold land	Freehold buildings	Leasehold buildings	Investment property under development	Total
Gross block						
As at 31st March, 2019	16,36,38,093	8,21,25,546	18,39,82,971	1,61,41,615	1,79,31,102	46,38,19,327
Adjustment for change in accounting policy [refer note 2(xv)]	-	(8,21,25,546)	-	(1,61,41,615)	-	(9,82,67,161)
Additions	-	-	-	-	60,43,807	60,43,807
As at 31st March, 2020	16,36,38,093	-	18,39,82,971	-	2,39,74,909	37,15,95,973
Additions	-	-	-	-	48,54,937	48,54,937
As at 31st March, 2021	16,36,38,093	-	18,39,82,971	-	2,88,29,846	37,64,50,910
Accumulated depreciation						
As at 31st March, 2019	-	27,81,298	1,30,82,792	7,84,290	-	1,66,48,380
Adjustment for change in accounting policy [refer note 2(xv)]	-	(27,81,298)	-	(7,84,290)	-	(35,65,588)
For the year	-	-	46,61,040	-	-	46,61,040
As at 31st March, 2020	-	-	1,77,43,832	-	-	1,77,43,832
For the year	-	-	46,61,039	-	-	46,61,039
As at 31st March, 2021	-	-	2,24,04,871	-	-	2,24,04,871
Net block						
As at 31st March, 2020	16,36,38,093	-	16,62,39,139	-	2,39,74,909	35,38,52,141
As at 31st March, 2021	16,36,38,093	-	16,15,78,100	-	2,88,29,846	35,40,46,038

(i) Amount recognised in Statement of Profit or loss for investment properties:

	31st March 2021	31st March 2020
Rental income	3,84,64,000	3,84,64,000
Direct operating expenses from properties that generated rental income	(12,80,214)	(16,37,427)
Direct operating expenses from properties that did not generate rental income	(23,30,818)	(27,04,914)
Profit from investment properties before depreciation	3,48,52,968	3,41,21,659
Depreciation	(46,61,039)	(46,61,040)
Profit from investment properties	3,01,91,929	2,94,60,619

(ii) Fair value

	31st March 2021	31st March 2020
Investment properties	1,02,69,11,725	99,45,17,000

The Company has obtained valuations for its investment properties from an independent valuer.

(iii) Gross block of investment properties includes:

- Freehold buildings include Rs. 160,137,622 (previous year Rs. 160,137,622) being cost of Debentures and shares in a company entitling the right of exclusive occupancy and use of certain premises.
- Investment property under development represents construction of learning centre on Belapur Land which is undertaken on lease from CIDCO. Such construction is on a co-ownership between Grasim Industries Limited, Hindalco Industries Limited and ABNL Investment Limited. The share is 35%, 55% and 10% respectively.

ABNL INVESTMENT LIMITED
Notes to financial statements for the year ended 31st March 2021
NOTE: 4
Right-of-use assets
Amount in ₹

Particulars	Leasehold land	Leasehold buildings	Total
Gross block			
As at 1st April, 2019	7,93,44,248	1,53,57,325	9,47,01,573
Addition during the year	-	-	-
As at 31st March, 2020	7,93,44,248	1,53,57,325	9,47,01,573
Addition during the year	-	-	-
Deletions during the year	5,82,526	14,38,919	20,21,445
As at 31st March, 2021	7,87,61,722	1,39,18,406	9,26,80,128
Accumulated depreciation			
As at 1st April, 2019	-	-	-
For the year	13,29,783	3,65,820	16,95,603
As at 31st March, 2020	13,29,783	3,65,820	16,95,603
For the year	13,18,954	3,39,070	16,58,024
Depreciation on deletions	57,739	1,42,624	2,00,363
As at 31st March, 2021	25,90,998	5,62,266	31,53,264
Net block			
As at 31st March, 2020	7,80,14,465	1,49,91,505	9,30,05,970
As at 31st March, 2021	7,61,70,724	1,33,56,140	8,95,26,864

a) Leasehold land and buildings includes the Company's share in assets held under co-ownership with a carrying value of Rs. 76,170,724 (previous year: Rs. 78,014,465) and Rs. 8,720,084 (Rs. 10,460,011) respectively.

b) Leasehold land and buildings includes assets not held in the name of the Company with a carrying value of Rs. Nil (previous year: Rs. 2,001,718) and Rs. 4,466,682 (Rs. 14,991,505). The Company is in the process of registering the same in the name of the Company.

c) The Company has earned income from sub-leasing of right-of-use assets amounting to Rs. 14,086,800 (previous year: Rs. 14,286,591).

NOTE: 5**Financial assets (non-current) - Investments**

Amount in ₹

	Face value	As at 31-Mar-21		As at 31-Mar-20	
		Number	Amount	Number	Amount
Investment in equity instruments					
Unquoted					
Investment in subsidiary:					
Carried at cost					
Sun God Trading and Investment Ltd.	10	53,900	4,90,000	53,900	4,90,000
			4,90,000		4,90,000
Quoted					
Carried at fair value through other comprehensive income*					
Aditya Birla Fashion and Retail Limited-Fully paid up	10	69,327	1,39,52,059	69,327	1,06,00,099
Aditya Birla Fashion and Retail Limited-Partly paid up	10	8,103	13,68,597	-	-
			1,53,20,656		1,06,00,099
TOTAL			1,58,10,656		1,10,90,099

Notes:

1 - Aggregate book value of quoted investments

1,53,20,656

1,06,00,099

2 - Market value of quoted investments

1,53,20,656

1,06,00,099

*Investments have been classified as FVOCI Instrument since they are held for a strategic objective and are not intended for sale.

NOTE: 6**Financial assets (current) - Investments**

Amount in ₹

	Face value	As at 31-Mar-21		As at 31-Mar-20	
		Number	Amount	Number	Amount
Unquoted- Carried at fair value through profit and loss					
Units of mutual fund					
Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	100	3,89,769.023	10,55,04,004	-	-
Aditya Birla Sun Life Corporate Bond fund - Growth - Direct	100	-	-	2,41,538	1,90,53,484
Aditya Birla Sunlife Income Fund Direct Plan - Growth	100	-	-	1,82,634	1,73,42,159
			10,55,04,004		3,63,95,643
TOTAL			10,55,04,004		3,63,95,643

ABNL INVESTMENT LIMITED**Notes to financial statements for the year ended 31st March 2021**

	As at 31st March, 2021	Amount in ₹ As at 31st March, 2020
NOTE: 7		
Deferred tax assets		
MAT credit entitlement	67,30,921	1,14,51,233
Timing difference on account of provision allowed under tax on payment basis	16,50,876	-
Deferred tax liability		
Timing difference on account of mutual funds carried at fair value through statement of profit and loss	(1,54,838)	(95,189)
Timing difference on account of equity instruments carried at fair value through other comprehensive income	(3,72,609)	-
	78,54,350	1,13,56,044

The Company has not recognised deferred tax asset on long-term capital loss of Rs. 106,435,542 due to non existence of probability of tax payable income against which the assets can be realised. The same shall be re-assessed at subsequent balance sheet date.

NOTE: 8**Financial assets (current) - Cash and cash equivalents****Balances with banks****Current accounts**

25,95,568	3,19,093
25,95,568	3,19,093

NOTE: 9**Financial assets (current) - Loans****Unsecured (Considered good, except otherwise stated)****(Carried at amortised cost, except otherwise stated)****Security deposit**

19,42,567	19,42,567
19,42,567	19,42,567

NOTE: 10**Financial assets (current) - Others****(Carried at amortised cost, except otherwise stated)****Investment in mutual fund, pending allotment *****Rent receivable****Reimbursement of expenses receivables**

-	2,87,00,000
2,38,124	7,69,200
4,15,530	7,23,697
6,53,654	3,01,92,897

* represents payment made to Aditya Birla Sun Life Mutual Fund for which units were allocated on 3rd April, 2020.

NOTE: 11**Other current assets****Unsecured (Considered good, except otherwise stated)****Balances with government authorities****Other current assets**

1,48,466	79,846
48,046	46,145
1,96,512	1,25,991

Amount in ₹

NOTE: 12

Share capital

Authorised:

49,990,000 equity shares of ₹ 10 each

1,000 redeemable preference shares of ₹ 100 each

	As at 31st March, 2021	As at 31st March, 2020
49,990,000 equity shares of ₹ 10 each	49,99,00,000	49,99,00,000
1,000 redeemable preference shares of ₹ 100 each	1,00,000	1,00,000
	50,00,00,000	50,00,00,000

Issued, subscribed and paid-up:

Equity share capital

28,140,000 equity shares of ₹ 10 each

28,140,000 equity shares of ₹ 10 each	28,14,00,000	28,14,00,000
	28,14,00,000	28,14,00,000

1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

S. No.	Description	As at 31st March, 2021		As at 31st March 2020	
		Equity shares	Amount	Equity shares	Amount
1	No of shares outstanding at the beginning of the period	2,81,40,000	28,14,00,000	2,81,40,000	28,14,00,000
2	Shares outstanding at the end of the year	2,81,40,000	28,14,00,000	2,81,40,000	28,14,00,000

2 Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees.

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 preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

3 Details of shares held by holding company and share holders holding more than 5% shares in the Company

S. No.	Name of Share Holder	As at 31st March, 2021		As at 31st March, 2020	
		No of shares held	% of total paid-up equity share capital	No of shares held	% of total paid-up equity share capital
1	Grasim Industries Limited with its nominees	2,81,40,000	100%	28,14,00,000	100%

As per records of the Company, including its registers of share holders/members, the above shareholding represents both legal and beneficial ownership of shares.

ABNL INVESTMENT LIMITED

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

NOTE: 13

Other equity

Nature and purpose of reserves

i) General reserves

General reserve is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend. The Company does not have any regular policy to transfer any part of the profits to general reserves.

ii) Securities premium

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses.

iii) Capital redemption reserve

Capital redemption reserve has been created in the earlier years upon purchase of its own shares by the Company. In accordance with the provisions of the Companies Act, 2013 the same can be utilised for issuing fully paid bonus shares to the members of the Company.

iv) Fair value through other comprehensive income - reserve

These reserves represent the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from these reserve to retained earnings when the relevant equity securities are derecognised/ disposed off.

ABNL INVESTMENT LIMITED

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

	Amount in ₹	
	As at 31st March, 2021	As at 31st March, 2020
NOTE: 14		
Financial liabilities (non-current) - Others		
(Carried at amortised cost, except otherwise stated)		
Security deposits	1,48,67,282	2,23,23,774
	1,48,67,282	2,23,23,774
NOTE: 15		
Other non-current liabilities		
Deferred rent income	4,87,140	26,51,908
	4,87,140	26,51,908
NOTE: 16		
Financial liabilities (current) - Others		
(Carried at amortised cost, except otherwise stated)		
Payable for purchase of investment property	26,950	24,82,415
Provision for expenses	8,51,038	5,33,449
Security deposits	1,05,07,459	22,23,936
	1,13,85,447	52,39,800
NOTE: 17		
Other current liabilities		
Statutory dues	11,59,787	9,94,388
Property tax payable	59,34,133	46,34,133
Deferred rent income	19,57,608	21,33,169
	90,51,528	77,61,690

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

	Amount in ₹	
	Year ended 31st March, 2021	Year ended 31st March, 2020
NOTE: 18		
Revenue from contracts with customers		
(Services transferred over time)		
Rental income (within India)	5,24,84,635	5,27,50,591
	5,24,84,635	5,27,50,591
NOTE: 19		
Other income		
Interest on inter corporate deposit	25,43,423	-
Unwinding of deferred rent income	27,61,529	19,93,657
Net gain on sale of investment	52,40,190	27,94,633
Fair value gain on financial instruments measured at FVTPL	6,55,303	3,42,160
Miscellaneous income	2,00,363	-
	1,14,00,808	51,30,450
NOTE: 20		
Finance cost		
Interest expense on lease deposit	27,48,233	18,68,983
Interest on others	738	11,043
	27,48,971	18,80,026
NOTE: 21		
Other expenses		
Rates and taxes	22,08,568	21,72,898
Payment to auditors (refer details below)	1,75,000	3,03,005
Legal and professional fees	8,14,919	4,67,825
Repairs and maintenance	12,85,699	17,04,970
Donation	-	4,00,00,000
Directors sitting fees	-	2,55,000
Electricity expenses	1,12,400	1,90,592
Miscellaneous expenses	1,51,803	7,11,701
	47,48,389	4,58,05,991
Payment to auditors		
As auditor		
Audit fees	1,50,000	1,50,000
Limited review	75,000	-
In other capacity		
Other services (certification fees)	25,000	1,30,000
Others	-	23,005
	2,50,000	3,03,005
Less: Recovered from holding company	(75,000)	-
	1,75,000	3,03,005

22 Earning per share (EPS)

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

Particulars	As at 31st March 2021	As at 31st March 2020
Net profit as per the statement of profit and Loss (₹)	3,83,00,177	47,03,221
Weighted average number of equity shares	2,81,40,000	2,81,40,000
Basic/diluted EPS (₹)	1.36	0.17
Nominal value of shares (₹)	10.00	10.00

23 Disclosure in respect of related parties pursuant to Ind AS 24:

a) List of related parties with whom transactions were held during the year:

1. Holding company

Grasim Industries Limited

2. Wholly owned subsidiary company

Sun God Trading and Investment Limited

3. Fellow subsidiaries

UltraTech Cement Limited

4. Other related parties in which Directors of Holding Company are interested

Aditya Birla Management Corporation Private Limited (w.e.f. 1st January 2019)

b) Transaction with related parties are given below

Sr. No.	Transaction/ Nature of Relationship	Year ended 31st March, 2021	Year ended 31st March, 2020
1	Rent received		
	Grasim Industries Limited	95,91,600	95,91,600
	UltraTech Cement Limited	2,29,29,600	2,29,29,600
	Aditya Birla Management Corporation Private Limited	68,35,000	70,81,800
		3,93,56,200	3,96,03,000
2	Inter-corporate deposit taken		
	Grasim Industries Limited	-	4,00,00,000
		-	4,00,00,000
3	Inter-corporate deposit repaid		
	Grasim Industries Limited	-	4,00,00,000
		-	4,00,00,000
4	Temporary finance received		
	Grasim Industries Limited	12,60,00,000	-
		12,60,00,000	-
5	Temporary finance repaid		
	Grasim Industries Limited	12,60,00,000	-
		12,60,00,000	-
6	Reimbursement of expenses recovered		
	Grasim Industries Limited	3,266	3,266
	UltraTech Cement Limited	24,91,351	26,17,194
	Aditya Birla Management Corporation Private Limited	10,39,043	10,70,837
		35,33,660	36,91,297
7	Reimbursement of expenses paid		
	Grasim Industries Limited	6,74,577	2,40,558
		6,74,577	2,40,558
8	Interest paid		
	Grasim Industries Limited	-	10,685
		-	10,685
9	Sitting Fees paid to Directors		
	Vijay Agarwal	-	70,000
	D P Rathi	-	1,85,000
		-	2,55,000
10	Outstanding balances		
a	Amount receivable		
	UltraTech Cement Limited	88,366	3,78,859
	Aditya Birla Management Corporation Private Limited	3,07,615	10,04,825
		3,95,981	13,83,684
b	Security deposit payable		
	UltraTech Cement Limited	1,67,74,200	1,67,74,200
	Aditya Birla Management Corporation Private Limited	18,16,200	18,16,200
		1,85,90,400	1,85,90,400

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were on arms length pricing basis.

24 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

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

Market Risk	Exposure Arising From	Measurement	Measurement
- Interest Rate Risk	Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate Movements	Portfolio Diversification
- Equity Price Risk	Investments (other than Subsidiaries, which are carried at cost)	Financial Performance of the Investee Company and its price in equity market	Financial Performance of the Investee Company and its price in equity market
- Credit Risk	Trade Receivables, Investments	Ageing analysis, Credit Rating	Ageing analysis, Credit Rating
- Liquidity Risks	Other Liabilities and Liquid investments	Other Liabilities and Liquid investments	Portfolio Diversification

The Management updates the Audit Committee / Board of Directors on a quarterly basis about the implementation of the above policies. It also updates on periodical basis about various risk to the business and the status of various activities planned to mitigate such risks.

The table summarises maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at March 31, 2021

As at March 31, 2021					Amount in ₹
Particulars	Less than three months	3 to 12 Months	1 to 2 Years	2 to 3 Years	Total
Financial liabilities					
Trade payables	-	-	-	-	-
Other financial liabilities (current and non current)	8,77,988	1,05,07,459	1,80,77,113	17,90,169	2,62,52,729
Total	8,77,988	1,05,07,459	1,80,77,113	17,90,169	2,62,52,729

As at March 31, 2020					Amount in ₹
Particulars	Less than three months	3 to 12 Months	1 to 2 Years	2 to 3 Years	Total
Financial liabilities					
Trade payables	40,639		1,150		41,789
Other Financial liabilities (current and non current)	-	50,77,799	79,81,997	1,45,03,779	2,75,63,575
Total	40,639	50,77,799	79,83,147	1,45,03,779	2,76,05,364

25 Capital risk 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. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

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

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, other non-current financial liabilities, other non current liabilities, other current financial liabilities, other current liabilities, trade payables less cash and cash equivalents, however the Company does not have any borrowings as at 31st March, 2021.

Particulars	Amount in ₹	
	As at 31-Mar-21	As at 31-Mar-20
Other non current financial liabilities (note 14)	1,48,67,282	2,23,23,774
Other non current liabilities (note 15)	4,87,140	26,51,908
Other current financial liabilities (note 16)	1,13,85,447	52,39,800
Other current liabilities (note 17)	90,51,528	77,61,690
Trade payables	-	41,789
Less: Cash and cash equivalents (note 8)	25,95,568	3,19,093
Net debt	3,31,95,829	3,76,99,868
Equity (note 12)	28,14,00,000	28,14,00,000
Equity	28,14,00,000	28,14,00,000
Capital and net debt	31,45,95,829	31,90,99,868
Gearing ratio	11%	12%

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021.

26 Income taxes

The major components of income tax expense for the year ended 31st March 2021 are as follows:

Amount in ₹

Statement of profit and loss:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current income tax	86,39,758	9,58,019
MAT credit utilisation/(entitlement)	33,97,242	(9,58,019)
Deferred tax	(15,91,227)	(8,54,928)
Tax adjustments relating to earlier period	13,23,070	(9,912)
Income tax expense reported in the statement of profit or loss	1,17,68,843	(8,64,840)

Income tax related to items recognised in other comprehensive during in the year:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Income tax expense charged to OCI	3,72,610	(4,42,053)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Accounting profit before income tax	5,00,69,020	38,38,381
At statutory income tax rate (refer note below)	1,39,29,201	5,98,787
Effect of tax adjustments relating to earlier period	13,23,070	(9,912)
Effect of items not deductible for tax purposes	(21,94,213)	-
Effect of Ind AS adjusted in opening retained earnings during conversion from previous GAAP	-	3,58,812
Effect of tax paid at a lower rate	-	(9,58,019)
Deferred tax impact on account of Ind AS	-	(8,54,928)
Others	(12,89,216)	420
Total	1,17,68,843	(8,64,840)

During the year ended 31st March, 2020, the Company was liable to pay tax as per section 115JB of the Income Tax Act, 1962 and therefore rate of Minimum Alternate Tax (MAT) is taken as statutory income tax rate.

Non Current tax assets

Particulars	As at 31st March 2021	As at 31st March 2020
Advance tax	1,68,08,200	2,57,65,592
Provision for tax	95,98,599	1,84,58,285
Current tax assets (net)	72,09,601	73,07,307

27 Pending litigation

Contingent liability not provided for in respect of claims / disputed not acknowledge as debts

Nature of dues	As at 31st March 2021	As at 31st March 2020
Demand from irrigation department for water usage at Patalganga Land	82,92,000	82,92,000
Demand for land revenue and additional cess (2017 to 2020) for Patalganga Land	1,42,760	1,42,760
Total	84,34,760	84,34,760

Cash outflows for the above are determinable only on receipt of judgements pending with various authorities.

28 Segment disclosure

Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance as a whole. Accordingly, the business of investing in properties and leasing it on rent is considered as single operating segment.

29 Financial Instruments - accounting classifications

Set out below, is a comparison by class of the carrying amounts and fair value and amortised cost of the financial assets and financial liabilities:

Financial assets at fair value

Particulars	Amount in ₹		Amount in ₹	
	Carrying value	Fair value	Carrying value	Fair value
	31st March, 2021		31st March, 2020	
Financial assets at fair value through OCI				
Investments - equity shares	1,58,20,656	1,58,20,656	1,06,00,099	1,06,00,099
Financial assets at fair value through Profit and Loss				
Investments in mutual funds	10,55,04,004	10,55,04,004	3,63,95,643	3,63,95,643
Total	12,08,24,660	12,08,24,660	4,69,95,742	4,69,95,742

Financial assets and liabilities at amortised cost

Particulars	Amount in ₹		Amount in ₹	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	31st March, 2021		31st March, 2020	
Financial assets				
Investments - equity shares	4,90,000	4,90,000	4,90,000	4,90,000
Cash and cash equivalents	25,95,568	25,95,568	3,19,093	3,19,093
Loans	19,42,567	19,42,567	19,42,567	19,42,567
Other financial assets	6,53,654	6,53,654	3,01,92,897	3,01,92,897
Total	56,81,789	56,81,789	3,29,44,557	3,29,44,557
Financial liabilities				
Other non current financial liabilities	1,48,67,282	1,48,67,282	2,23,23,774	2,23,23,774
Trade payables			41,789	41,789
Other current financial liabilities	1,13,85,447	1,13,85,447	52,39,800	52,39,801
Total	2,62,52,729	2,62,52,729	2,76,05,363	2,76,05,364

The management assessed that the fair value of cash and cash equivalents, loans, other financial assets, other non current financial liabilities, trade payables and other current financial liabilities (except financial instruments carried at amortised cost) approximate their carrying amounts largely due to the short-term maturities of these instruments.

30 Financial Instruments - Fair value measurement

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

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at 31 March 2021. The different levels have been defined as follows:

Level 1: This category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2: This category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable.

Level 3: This category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

As at 31st March, 2021, the Company held the following financial assets measured at fair value:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Non current investments	1,53,20,656	1,53,20,656	-	-
Current investments	10,55,04,004	-	10,55,04,004	-
Total	12,08,24,660	1,53,20,656	10,55,04,004	-

There have been no transfer between Level 1, Level 2 and Level 3 during the period.

31 Information relating to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021 and 31st March 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), has been determined to the extent such parties have been identified on the basis of information available with the Company.

32 The Company and Sun God Trading and Investment Limited (wholly owned subsidiary of the Company) has filed the Scheme of Amalgamation (the "Scheme") under section 233 of the Companies Act, 2013 and other applicable provisions, if any with 1st April, 2019 as appointed date. The said Scheme was filed with Regional Director, North-Western Region and the Company has received the final order from Regional Director. However, order for Sun God Trading and Investment Limited is awaited and thus Scheme shall be effective once the said order is received and filed with the Registrar of Companies.

33 The Company has conducted a comprehensive assessment of the possible impact of Covid-19 pandemic on its operations, liquidity position, and the consequential impact on its liabilities. Based on the assessment, the management is confident that it will continue to earn rentals as per the terms of agreement and there have been no communication from the lessee for modifying the lease terms. Further, since the lease agreements are entered into primarily with related parties, the risk of default and cancellation is minimal. The management will continue to monitor any material changes arising due to impact of this pandemic on the financial and operational performance of the Company and take necessary measures to address the situation.

34 Previous years figures have been regrouped/reclassified wherever necessary to confirm with current year's classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration no. 324982E/E300003
VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.05.10 21:00:00 +05'30'

Vijay Maniar
Partner
Membership No. 36738

Place : Mumbai
Date : 10th May, 2021

For and on behalf of Board of Directors
of ABNL Investment Limited

Mahendra Bhandari
Digitally signed by Mahendra Bhandari
Date: 2021.05.10 18:10:59 +05'30'

Mahendra Bhandari
Director
DIN : 07433524

ULASH CHANDRA PARDA
Digitally signed by Ullash Parida
Date: 2021.05.10 18:10:59 +05'30'

Ullash Parida
Company Secretary
Membership No. 8689

Place : Mumbai
Date : 10th May, 2021

Pavan Kumar Jain
Digitally signed by Pavan Kumar Jain
Date: 2021.05.10 19:12:37 +05'30'

Pavan Kumar Jain
Director
DIN : 00703624

PARAG LADDA
Digitally signed by Parag Laddha
Date: 2021.05.10 18:10:59 +05'30'

Parag Laddha
Chief Financial Officer

ADITYA BIRLA POWER COMPOSITES LIMITED

Dear Shareholders,

The Directors of your Company are pleased to present the 2nd (Second) Annual Report and the audited financial statements of the Company for the financial year ended 31st March 2021.

FINANCIAL PERFORMANCE

The financial performance for the financial year ended 31st March 2021, is summarized below:

(Amount in ₹)		
Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Revenue from operations	-	-
Other Income	-	-
Total Income	-	-
Total Expenses	22,85,262	13,19,164
Profit/ (Loss) Before Tax	(22,85,262)	(13,19,164)
Tax Expenses	-	-
Profit/ (Loss) for the year	(22,85,262)	(13,19,164)
Other comprehensive Income (OCI)		
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(22,85,262)	(13,19,164)
Basic and diluted earnings per share (Face value of ₹10 each)	(0.19)	(18.96)

OPERATION OF THE COMPANY

The Company is in the process of setting up a state-of-the-art Composite Hollow Core Insulators ("CHCI") manufacturing plant at Halol, Gujarat, India at a project cost of about ₹ 100 Crore for the manufacture and sale of CHCI to serve the power transmission & distribution industry globally. The work of setting up the Plant at Halol is in progress and will be commissioned in FY 22.

DIVIDEND

The Directors of your Company have not recommended any dividend in order to conserve cash for the business operations.



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ADITYA BIRLA POWER COMPOSITES LIMITED

TRANSFER TO RESERVES

During the year under review no amount has been transferred to General Reserve.

NAMES OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

Your Company is a Subsidiary of Grasim Industries Limited in terms of Companies Act, 2013 and a Joint Venture between Grasim Industries Limited and Maschinenfabrik Reinhausen GmbH under Ind AS.

CONVENING ANNUAL GENERAL MEETING THROUGH AUDIO VISUAL MEANS

Considering the continued COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 02/2021 dated 13th January 2021 read with circulars dated General Circular No. 20/2020 5th May 2020; General Circular No. 14/2020 dated 8th April 2020; General Circular No. 17/2020 dated 13th April 2020 (collectively referred to as 'MCA Circulars') permitted convening the Annual General Meeting through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013, the 2nd Annual General Meeting of your Company will be convened and conducted through VC/OAVM.

SHARE CAPITAL

The Authorized Share Capital of the Company is ₹ 45,00,00,000/- (Rupees Forty Five Crore Only) divided into 4,50,00,000 (Four Crore Fifty Lakh) equity shares of ₹ 10 each. As on 31st March 2021, the Paid-up Share Capital of the Company is ₹ 34,40,80,000 (Rupees Thirty Four Crore Forty Lakh Eighty Thousand Only) divided into 3,44,08,000 (Three Crore Forty Four Lakh Eight Thousand) equity shares of ₹ 10 each.

During the year under review, your Company has issued and allotted 3,43,08,000 equity shares of ₹ 10/- each pursuant to 'Rights' issue from time to time.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public falling under provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.



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ADITYA BIRLA POWER COMPOSITES LIMITED

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Pursuant to section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures relating to loans and investments as on 31st March 2021 are given in the Notes to the Financial Statements. There are no guarantees issued, or securities provided by your Company in terms of section 186 of the Companies Act, 2013, read with the rules issued thereunder.

DIRECTOR(S) AND KEY MANAGERIAL PERSONNEL

As on 31st March 2021, your Board comprises of 5 (Five) Directors. All 5 (Five) Directors are Non-Executive Directors. Your Directors on the Board have relevant experience and competency suitable for the business. All Directors are liable to retire by rotation.

In accordance with the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment & Qualification of Directors) Rules, 2014, Mr. Ashish Adukia (DIN: 08512890) and Mr. Marcus Hartmann (DIN: 08670182), Non-Executive Directors of your Company, are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and, being eligible, have offered themselves for re-appointment.

Mr. Rohit Pathak, Director & Chief Executive Officer relinquished his role as Chief Executive Officer of the Company and as a member of its Board with effect from close of business hours on 30th April 2021, to pursue another role in the Aditya Birla Group. The Board placed on record its sincere appreciation for the valuable contribution and services rendered by Mr. Rohit Pathak during his tenure as the Director and Chief Executive Officer of the Company.

Subject to the approval of the shareholders, the Board at its meeting held on 30th April 2021 appointed Mr. Ajit Rajagopalan (DIN: 08489489) as an Additional Director (Non-Executive) of the Company, subject to retirement by rotation, with effect from 1st May 2021. In terms of the provisions of the Companies Act, 2013, Mr. Ajit Rajagopalan will hold office up to the date of the ensuing Annual General Meeting. Resolution seeking the appointment of Mr. Ajit Rajagopalan as a Non-Executive Director along with his brief profile forms part of the Notice of the Annual General Meeting.

Your Directors commend the Resolutions for your approval for the aforesaid appointments/re-appointments.

The Company is a joint venture and is not required to appoint Independent Directors on its Board and therefore, the Company has not appointed any Independent Director(s) on the Board of the Company.

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ADITYA BIRLA POWER COMPOSITES LIMITED

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 2(51) and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Key Managerial Personnel of the Company as on 31st March 2021 are Mr. Rohit Pathak, Chief Executive Officer, Mr. Brijesh Kumar, Chief Financial Officer and Ms. Neha Sharma, Company Secretary.

Mr. Rohit Pathak, relinquished his office as Director & Chief Executive Officer. He ceased to be the Key Managerial Personnel of the Company, with effect from the close of business hours on 30th April 2021. The Board of Directors at its meeting held on 30th April 2021, appointed Mr. Sanjeev Sachdev as the Chief Executive Officer of the Company with effect from 1st May 2021.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy.

The Board of Directors met 4 (four) times during the year, on 22nd May 2020, 30th July 2020, 23rd October 2020 and 20th January 2021. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days. The attendance and sitting fees paid, if any, for the financial year 2020-21 are as follows:-

Name of Directors	Category	No. of Meetings Attended	Sitting Fees paid (in ₹)
Mr. Kalyan Ram Madabhushi	Non-Executive Director	4	-
Mr. Rohit Pathak	Non-Executive Director	4	-
Mr. Ashish Adukia	Non-Executive Director	3	-
Mr. Marcus Hartmann	Non-Executive Director	4	-
Mr. Andreas Lell	Non-Executive Director	4	-

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company is committed to maintaining the highest standards of Corporate Governance.

Pursuant to section 134(5) of the Companies Act, 2013 ("Act") and to the best of its knowledge and belief and according to the information and explanations obtained /received from the operating management, the Board of Directors make the following statement and confirm that:-



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ADITYA BIRLA POWER COMPOSITES LIMITED

- i) in the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the accounting policies selected have been applied consistently, and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at 31st March 2021 and of the profit/loss of your Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv) Annual Accounts have been prepared on a 'going concern basis';
- v) your Company has laid down internal financial controls, and that such internal financial controls are adequate and are operating effectively; and
- vi) your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is set out in Annexure I to this Report.

STATUTORY AUDITORS

Pursuant to the provisions of section 139(1) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, B S R & Co. LLP Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) has been appointed as the Statutory Auditors of the Company for a period of five consecutive years, till the conclusion of the 6th Annual General Meeting of the Company, to be held in the year 2025.

The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the financial year ended 31st March 2021, read with the explanatory notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under section 134(3)(f) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.



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ADITYA BIRLA POWER COMPOSITES LIMITED

COST AUDITORS

The provisions of Cost Audit as prescribed under section 148 of the Companies Act, 2013 are not applicable to the Company.

SECRETARIAL AUDITORS

The provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

INTERNAL AUDITORS

The provisions of Internal Audit as prescribed under section 138 of the Companies Act, 2013 are not applicable to the Company.

CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

During the financial year under review, your Company entered into related party transactions which were on arms' length basis and in ordinary course of business. There are no material transactions with any related party as defined under section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The details of contracts and arrangements with related parties of your Company for the financial year ended 31st March 2021 is given in notes to the financial statements of your Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to CSR were not applicable to the Company.



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ADITYA BIRLA POWER COMPOSITES LIMITED

RISK MANAGEMENT

The Company has a Risk Management Framework in place which includes identifying the elements of risk that may threaten the existence or continuance of the operations of the Company.

ANNUAL RETURN

The extract of annual return for the financial year 2020-21 in Form MGT-9 is attached in Annexure II.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Controls commensurate with the size, scale and complexity of its operations to ensure the orderly and efficient conduct of its business.

COMMITTEES OF BOARD

SHAREHOLDERS' COMMITTEE:

In terms of the Joint Venture Agreement (JVA) between Grasim Industries Limited (Grasim) and Maschinenfabrik Reinhausen GmbH (MR), dated 22nd October 2019, a committee of the Shareholders (Shareholders' Committee) comprising of 1 representative of Grasim and 1 representative of MR has been constituted.

The functions of the Shareholders' Committee are as stated in the JVA and forms part of the Articles of Association of the Company, *inter alia*, to approve decisions or actions pertaining to Reserved Matter.

During the year under review 2 (two) Shareholders' Committee meetings were held on 23rd October 2020 and 20th January 2021 and were attended by both Grasim representative and MR representative.

PARTICULARS OF EMPLOYEES

The particulars of employees of the Company as required under the provisions of section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.



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ADITYA BIRLA POWER COMPOSITES LIMITED

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act). Your Company has zero tolerance for sexual harassment at workplace. Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the POSH Act. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

We further state that during the year under review, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURE OF RECEIPT OF COMMISSION BY MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR FROM HOLDING COMPANY OR SUBSIDIARY COMPANY.

The Company has no Managing Director or Whole-Time Director and as such disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business.

OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares
 - Employees Stock Option Scheme
- There were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operation in future.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- There was no revision in the financial statements or Boards' Report in the preceding financial year.
- There were no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.

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ADITYA BIRLA POWER COMPOSITES LIMITED

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to the banks, financial institutions, stakeholders, and various Government Authorities for their continued support extended to your Company's activities during the year under review.

For and on behalf of the Board of Directors
Aditya Birla Power Composites Limited

Kalyan Ram Madabhushi
Chairman

DIN: 08116290

Place: Mumbai

Date: 30th April 2021



CIN: U31900GJ2019PLC110313

Registered Office: Survey No. 158- 159, Meghasar, Taluka – Halol, Halol- Kalol Road,
PanchMahals Gujarat- 389330 | T: 02676 221002

Corporate Office: 'A' wing, 2nd Floor, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai 400030
T: 022 24995000 | E: abpcl@adityabirla.com

ADITYA BIRLA POWER COMPOSITES LIMITED

ANNEXURE TO THE BOARD'S REPORT

Annexure I

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings Outgo pursuant to provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

1) The steps taken and impact on conservation of energy.

The Company undertakes various initiatives for energy conservation towards improvements in operational efficiency at the design/plant setup stage itself.

- The measures undertaken are Variable Frequency Drive (VFD) installations in all applicable equipment's for varying output speed as per need for energy conservation.
- Company will undertake suitable initiatives for further improvement post commissioning.

2) The steps taken by the company for utilizing alternate sources of energy

- The plant roof has been designed considering future potential installation of solar panels on it towards utilizing renewable source of energy (if techno-commercially feasible).
- Company is using Natural Gas (NG) as fuel in ovens for drying cycles as an alternate source of electrical energy being cost effective.

3) Capital Investment on energy conservation equipment

- Capital Investment is part of the plant & machinery cost given this equipment's have been adopted during the design stage.

B. TECHNOLOGY ABSORPTION

a) The efforts made towards technology absorption

- The Company has implemented High temperature vulcanized (HTV) Composite Hollow Core Insulators manufacturing technology since its inception which is widely the most acceptable technology in this segment globally.

b) The benefits derived like product improvement, cost reduction, product development or import substitution

- Benefits of HTV technology absorption & setting up manufacturing plant in India will yield import substitution, product development & cost reduction.

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ADITYA BIRLA POWER COMPOSITES LIMITED

c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- The Company has undertaken available state of art technology plant and machineries for the molding process (from China) and for the filament winding process (from Germany).

d) The expenditure incurred on Research and Development:

- Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange used: Rs. 3.32 Crore

Foreign Exchange earned: Nil

For and on behalf of the Board of Directors
Aditya Birla Power Composites Limited

Kalyan Ram Madabhushi
Chairman
DIN: 08116290

Place: Mumbai
Date: 30th April 2021



CIN: U31900GJ2019PLC110313

Registered Office: Survey No. 158- 159, Meghasar, Taluka – Halol, Halol- Kalol Road,
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ADITYA BIRLA POWER COMPOSITES LIMITED

Annexure II

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN****As on financial year ended on 31st March 2021****[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:**

CIN	U31900GJ2019PLC110313
Registration Date	15 th October 2019
Name of the Company	Aditya Birla Power Composites Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered office and contact details	Survey No. 158- 159, Meghasar, Taluka – Halol, Halol- Kalol Road, Panch Mahals Gujarat- 389330 Telephone- 02676 221002/ 022 24995000 Email: abpcl@adityabirla.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	KFin Technologies Private Limited Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana-500 032 Tel: +91 40 6716 2222 Fax: +91 040 23420814 Toll Free No. 1800 309 4001 E-Mail ID : einward.ris@kfintech.com

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:-

Sl. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of electrical insulators and insulating fittings	23934	0%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Your Company is a Subsidiary of Grasim Industries Limited in terms of Companies Act, 2013 and a Joint Venture between Grasim Industries Limited and Maschinenfabrik Reinhausen GmbH under Ind AS.

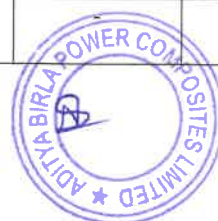


ADITYA BIRLA POWER COMPOSITES LIMITED

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2020)				No. of Shares held at the end of the year (As on 31-03-2021)				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6*	-	6*	0.01	6*	-	6*	0.00	(0.01)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	50,988	-	50,988	50.99	1,75,48,074	-	1,75,48,074	51.00	0.01
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	50,994	-	50,994	51.00	1,75,48,080	-	1,75,48,080	51.00	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	49,000 [#]	-	49,000 [#]	49.00	1,68,59,920	-	1,68,59,920	49.00	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	49,000 [#]	-	49,000 [#]	49.00	1,68,59,920	-	1,68,59,920	49.00	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,00,000	-	1,00,000	100	3,44,08,000	-	3,44,08,000	100	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

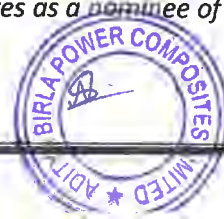


ADITYA BIRLA POWER COMPOSITES LIMITED

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,00,000	-	1,00,000	100	3,44,08,000	-	3,44,08,000	100	-

*Equity Shares held by Individuals as Nominees of Grasim Industries Limited

*includes 49,000 equity shares held by Mr. Khozem Mirza as Nominee of Maschinenfabrik Reinhausen GmbH (MR). The Board had allotted 49,000 Equity Shares of the Company to MR vide circular resolution dated 10th December 2019. Memorandum of Understanding (MOU) dated 6th February 2020 was executed between the Company, MR and Mr. Khozem Mirza (nominee of MR), whereby MR has nominated Mr. Khozem Mirza, to hold the aforesaid shares on behalf of MR in-trust till the date of opening of the demat account in the name of MR. Subsequently, MR had opened its demat account and 49,000 equity shares of the Company were credited to MR's demat account and Mr. Khozem Mirza ceased to hold the said shares as a nominee of MR.



ADITYA BIRLA POWER COMPOSITES LIMITED**ii. A) SHAREHOLDING OF PROMOTERS: EQUITY SHARE**

Sl.	Shareholder's Name	Shareholding at the beginning of the year as on 01-04-2020			Shareholding at the end of the year as on 31-03-2021			
		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	% change in share holding during the period
1.	Grasim Industries Limited	50,994	51	-	1,75,48,074	51	-	-
2.	Maschinenfabrik Reinhausen GmbH [#]	49,000	49	-	1,68,59,920	49	-	-
3.	Pavan Kumar Jain*	1	0	-	1	0	-	-
4.	Hemant Kumar Kadel*	1	0	-	1	0	-	-
5.	Hutokshi Wadia*	1	0	-	1	0	-	-
6.	Mahendra Bhandari*	1	0	-	1	0	-	-
7.	Mansi S. Laheri*	1	0	-	1	0	-	-
8.	Ullash Chandra Parida*	1	0	-	1	0	-	-
		1,00,000	100	-	3,44,08,000	100	-	-

* Nominees of Grasim Industries Limited

[#]As on 1st April 2020, 49,000 equity shares of the Company were held by Mr. Khozem Mirza as Nominee of Maschinenfabrik Reinhausen GmbH (MR). The Board had allotted 49,000 Equity Shares of the Company to MR vide circular resolution dated 10th December 2019. Memorandum of Understanding (MOU) dated 6th February 2020 was executed between the Company, MR and Mr. Khozem Mirza (nominee of MR), whereby MR has nominated Mr. Khozem Mirza, to hold the aforesaid shares on behalf of MR in-trust till the date of opening of the demat account in the name of MR. Subsequently, MR had opened its demat account and 49,000 equity shares of the Company were credited to MR's demat account and Mr. Khozem Mirza ceased to hold the said shares as a nominee of MR.



ADITYA BIRLA POWER COMPOSITES LIMITED

B) CHANGE IN PROMOTERS' SHAREHOLDING:

EQUITY SHARES

Sl. No.	Shareholder's Name			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 beginning of the year as on 1 st April 2020				
1.	Grasim Industries Limited	50,994	51	50,994	51
2.	Maschinenfabrik Reinhausen GmbH*	49,000	49	49,000	49
3.	Pavan Kumar Jain*	1	0	1	0
4.	Hemant Kumar Kadel*	1	0	1	0
5.	Hutokshi Wadia*	1	0	1	0
6.	Mahendra Bhandari*	1	0	1	0
7.	Mansi S. Laheri*	1	0	1	0
8.	Ullash Chandra Parida*	1	0	1	0
B.	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (Allotment/transfer/ bonus/ sweat equity/ merger or amalgamation, etc.)				
1.	Grasim Industries Limited Allotment pursuant to 'Rights' issue on:				
	22 nd May 2020	17,85,000	51	18,35,994	51
	30 th July 2020	33,13,980	51	51,49,974	51
	19 th November 2020	38,14,800	51	89,64,774	51
	16 th February 2021	85,83,300	51	1,75,48,074	51
2.	Maschinenfabrik Reinhausen GmbH Allotment pursuant to 'Rights' Issue on:				
	22 nd May 2020	17,15,000	49	17,64,000	49
	30 th July 2020	31,84,020	49	49,48,020	49
	19 th November 2020	36,65,200	49	86,13,220	49
	16 th February 2021	82,46,700	49	1,68,59,920	49



ADITYA BIRLA POWER COMPOSITES LIMITED

C.	At the end of the year as on 31-03-2021				
1.	Grasim Industries Limited	1,75,48,074	51	1,75,48,074	51
2.	Maschinenfabrik Reinhausen Gmbh	1,68,59,920	49	1,68,59,920	49
3.	Pavan Kumar Jain*	1	0	1	0
4.	Hemant Kumar Kadel*	1	0	1	0
5.	Hutokshi Wadia*	1	0	1	0
6.	Mahendra Bhandari*	1	0	1	0
7.	Mansi S. Laheri*	1	0	1	0
8.	Ullash Chandra Parida*	1	0	1	0
		3,44,08,000	100	3,44,08,000	100

*Equity Shares held by Individuals as Nominees of Grasim Industries Limited

[#]49,000 equity shares of the Company were held by Mr. Khozem Mirza as Nominee of Maschinenfabrik Reinhausen Gmbh (MR). The Board had allotted 49,000 Equity Shares of the Company to MR vide circular resolution dated 10th December 2019. Memorandum of Understanding (MOU) dated 6th February 2020 was executed between the Company, MR and Mr. Khozem Mirza (nominee of MR), whereby MR has nominated Mr. Khozem Mirza, to hold the aforesaid shares on behalf of MR in-trust till the date of opening of the demat account in the name of MR. Subsequently, MR had opened its demat account and 49,000 equity shares of the Company were credited to MR's demat account and Mr. Khozem Mirza ceased to hold the said shares as a nominee of MR.

C) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs/ADRs): Nil

iii. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.				Cumulative Shareholding during the period	
	For each of the Directors and KMP at the beginning of the year as on 01-04-2020	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Kalyan Ram Madabhushi, Director	-	-	-	-
2.	Mr. Rohit Pathak, Director	-	-	-	-
3.	Mr. Ashish Adukia, Director	-	-	-	-
4.	Mr. Marcus Hartmann, Director	-	-	-	-
5.	Mr. Andreas Lell, Director	-	-	-	-
6.	Mr. Rohit Pathak, Chief Executive Officer	-	-	-	-
7.	Mr. Brijesh Kumar, Chief Financial Officer	-	-	-	-
8.	Ms. Neha Sharma, Company Secretary	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease : Not Applicable	-	-	-	-
	For each of the Directors and KMP at the end of the year as on 31-03-2021				
1.	Mr. Kalyan Ram Madabhushi, Director	-	-	-	-
2.	Mr. Rohit Pathak, Director	-	-	-	-
3.	Mr. Ashish Adukia, Director	-	-	-	-
4.	Mr. Marcus Hartmann, Director	-	-	-	-
5.	Mr. Andreas Lell, Director	-	-	-	-
6.	Mr. Rohit Pathak, Chief Executive Officer	-	-	-	-
7.	Mr. Brijesh Kumar, Chief Financial Officer	-	-	-	-
8.	Ms. Neha Sharma, Company Secretary	-	-	-	-



ADITYA BIRLA POWER COMPOSITES LIMITED**II INDEBTEDNESS:**

During the year under review, indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ In Crore)

Sl. No.	Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the Financial Year – 1st April 2020				
i)	Principal Amount	-	-	-	-
ii)	Interest Due but not Paid	-	-	-	-
iii)	Interest Accrued but not Due	-	-	-	-
	Total (i+ii+iii)	-	-	-	-
	Change in Indebtedness during the Financial Year				
	Addition	7.48	-	-	7.48
	Reduction	-	-	-	-
	Net Change	7.48	-	-	7.48
	Indebtedness at the end of the Financial Year – 31st March 2021				
i)	Principal Amount	7.48	-	-	7.48
ii)	Interest Due but not Paid	-	-	-	-
iii)	Interest Accrued but not Due	-	-	-	-
	Total (i+ii+iii)	7.48	-	-	7.48

II REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER:**

NIL

B. REMUNERATION TO OTHER DIRECTORS:

NIL

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

As on 31st March 2021, the Key Managerial personnel of the Company were Mr. Rohit Pathak; Chief Executive Officer, Mr. Brijesh Kumar; Chief Financial Officer and Ms. Neha Sharma, Company Secretary, employees of Grasim Industries Limited, of which the Company is a Joint Venture and no remuneration was paid to them by the Company.



ADITYA BIRLA POWER COMPOSITES LIMITED

V PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES (UNDER THE COMPANIES ACT):

NIL

For and on behalf of the Board of Directors
Aditya Birla Power Composites Limited



Kalyan Ram Madabhushi
Chairman
DIN: 08116290

Place: Mumbai
Date: 30th April 2021



B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's Report

To the Members of Aditya Birla Power Composites Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Aditya Birla Power Composites Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income) for the year ended 31 March 2021, statement of changes in equity and statement of cash flows for the then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

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

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

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco
Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Aditya Birla Power Composites Limited

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows 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. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



Independent Auditor's Report (Continued)

Aditya Birla Power Composites Limited

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income) for the year ended 31 March 2021, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

Independent Auditor's Report (Continued)

Aditya Birla Power Composites Limited

Report on Other Legal and Regulatory Requirements (Continued)

- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 does 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.
- (B) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 shall not be applicable as the Company was incorporated on 15 October 2019
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the Company has not paid remuneration to its directors during the current year hence provisions of Section 197 of the Act are not applicable to the Company for the year ended 31 March 2021.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No. 101248W/W 100022



Rahul Choudhary
Partner

Membership No: 408408

ICAI UDIN: 21408408AAAAAS3316

Place: Jodhpur
Date: 30 April 2021

Aditya Birla Power Composites Limited

Annexure - A to the Independent Auditor's Report on financial statements of Aditya Birla Power Composites Limited for the year ended 31 March 2021

Report on the Companies (Auditor's Report) Order, 2016 ("the Order"), with reference to aforesaid financial statements, in terms of Section 143(11) of the Companies Act, 2013 ("the Act")

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report the following:

- (i) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have fixed assets (property plant and equipment) in its books. Accordingly, the provision of Paragraph 3(i) of the Order is not applicable to the Company.
- (ii) Inventory has been physically verified by management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on such verification between physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) In our opinion and according to 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made and has not provided loans or guarantees or security to the parties covered under Section 186.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by Reserve Bank of India, provisions of sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the year ended 31 March 2021. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.



Annexure – A to the Independent Auditor's Report – 31 March 2021
financial statements (Continued)

- (vii) (a) According to the information and explanations given to us and based on records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues of income-tax and goods and service tax, with the appropriate Authorities. According to the information and explanations given to us and based on records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues of income-tax and goods and service tax, with the appropriate authorities. As explained to us the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise and value added tax, cess, investor education and protection fund and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax and goods and service tax, dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax and goods and service tax, which have not been deposited with the appropriate authorities on account of any dispute as at 31 March 2021.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loan or borrowings from financial institutions, government or debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) . In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records, the Company has not paid or provided for managerial remuneration for the year ended 31 March 2021. Accordingly, paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examinations of the records of the Company, transactions with related parties are in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24. The Company does not fall under the definition of a listed Company or other class of Companies which is required to constitute an audit committee under section 177 of the Act, the said section is not applicable to the Company and hence, to this extent paragraph 3(xiii) of the order is not applicable to the Company.

**Annexure – A to the Independent Auditor’s Report – 31 March 2021
financial statements (*Continued*)**

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W 100022



Rahul Choudhary
Partner

Membership No: 408408
ICAI UDIN: 21408408AAAAAS3316

Place: Jodhpur
Date: 30 April 2021

Aditya Birla Power Composites Limited

Annexure B to the Independent Auditors' report on the financial statements of Aditya Birla Power Composites Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Aditya Birla Power Composites Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.



Annexure B to the Independent Auditors' report on the financial statements of Aditya Birla Power Composites Limited for the year ended 31 March 2021 (Continued)

Auditors' Responsibility (Continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W 100022



Rahul Choudhary

Partner

Membership No: 408408

ICAI UDIN: 21408408AAAAAS3316

Place: Jodhpur

Date: 30 April 2021

Aditya Birla Power Composites Limited

ANNUAL FINANCIAL STATEMENTS

Year ended on 31st March 2021

Balance Sheet as at 31st March 2021

		Amount in Rs.	
		As at	As at
	Note no.	31st March 2021	31st March 2020
I ASSETS			
(1) Non-current assets			
(a) Capital work-in-progress	2	27,99,95,888	1,12,68,571
(b) Right of Use Assets	3	8,38,94,212	9,34,00,176
(c) Financial assets			
(i) Loans	4	2,21,506	10,000
(iii) Others	4A	4,14,86,083	16,03,872
		40,55,97,689	10,62,82,619
(2) Current assets			
(a) Inventories	5	21,16,531	
(b) Financial assets			
(i) Investments	6	10,06,32,560	
(i) Cash and cash equivalents	7	70,97,066	7,50,465
(c) Other current assets	8	2,80,73,864	9,07,565
		13,79,20,021	16,58,030
Total assets		54,35,17,710	10,79,40,649
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	34,40,80,000	10,00,000
(b) Other equity	10	(36,04,426)	(13,19,164)
Total equity		34,04,75,574	(3,19,164)
LIABILITIES			
(2) Non-current liabilities			
Financial Liabilities			
Long term Borrowings	11	7,48,44,164	-
Lease Liability	12	8,37,55,800	8,94,02,338
		15,85,99,964	8,94,02,338
(3) Current liabilities			
(a) Financial liabilities			
Borrowings			
Lease Liability	12	56,46,538	48,25,390
Trade Payables			
Total outstanding due of Micro and Small Enterprises			
Total outstanding due of Creditor other than Micro and Small Enterprises	13	3,68,64,098	11,48,148
Other Financial Liabilities	14	1,16,545	-
(b) Other Current Liabilities	15	18,14,991	1,28,83,937
		4,44,42,172	1,88,57,475
Total liabilities		20,30,42,136	10,82,59,813
Total equity and liabilities		54,35,17,710	10,79,40,649

Significant accounting policies

1

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

For B S R & Co- LLP
Chartered Accountants
ICAI Firm registration no: 101248W/W100022



Rahul Choudhary
Partner
Membership No. 408408

For and on behalf of Board of Directors
of Aditya Birla Power Composite Limited

Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796



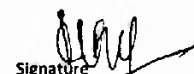
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Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290



Signature

Brijesh Kumar
Chief Financial Officer
Membership No : 403680



Signature

Neha Sharma
Company Secretary
Membership No. A52583



Signature

Place: JODHPUR

Date: 30 April 2021

Place: MUMBAI

ADITYA BIRLA POWER COMPOSITES LIMITED

Statement of Profit and Loss for the year ended on 31st March 2021

	<u>Note no.</u>	<u>Amount in Rs. Year ended on 31st March 2021</u>	<u>Amount in Rs. Period ended on 31st March 2020</u>
EXPENSES			
Other expenses	16	22,85,262	13,19,164
Total expenses		<u>22,85,262</u>	<u>13,19,164</u>
Profit before tax		<u>(22,85,262)</u>	<u>(13,19,164)</u>
Tax expenses			
(Loss) for the year / period		<u>(22,85,262)</u>	<u>(13,19,164)</u>
Other comprehensive income for the year / period			
Total comprehensive income for the year / period		<u>(22,85,262)</u>	<u>(13,19,164)</u>
Basic / diluted earnings per share	17	(0.19)	(18.96)
(Face value of Rs. 10/- each)			
Significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.			

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration no. 101248W/W100022



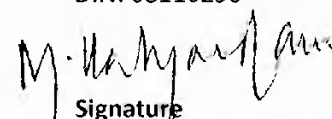
Rahul Choudhary
Partner
Membership No. 408408

For and on behalf of Board of Directors
of Aditya Birla Power Composite Limited


Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796


Signature

Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290


Signature

Brijesh Kumar
Chief Financial Officer


Signature
Membership No. : 403680
Place : Mumbai

Neha Sharma
Company Secretary
Membership No. A52583


Signature

Place : Jodhpur
Date : 30 April 2021

ADITYA BIRLA POWER COMPOSITES LIMITED

Cash flow statement for the year ended 31st March 2021

PARTICULARS	Amount in Rs.		Amount in Rs.	
	For the year ended	31st March 2021	For the period ended	31st March 2020
A CASH FLOW FROM OPERATING ACTIVITIES				
Loss before tax		(22,85,262)		(13,19,164)
Adjustments for Non Cash Items		-		-
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		(22,85,262)		(13,19,164)
Decrease / (increase) in Inventories		(21,16,531)		-
Decrease / (increase) in Loans and other assets		(6,72,60,016)		-
Increase / (decrease) in trade, financial and other payables		2,47,63,549		-
Statutory dues payable		-		2,16,413
CASH GENERATED FROM OPERATIONS		(4,68,98,260)		(11,02,751)
Income taxes refund / (paid) (net)		-		-
NET CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES		(4,68,98,260)		(11,02,751)
B CASH FLOW FROM INVESTING ACTIVITIES				
Deposits given		-	(10,000)	-
Preoperating expenses (Refer Note 1 below)	(26,40,46,743)	-	8,63,216	-
Investment in Mutual fund	(10,06,32,560)	(36,46,79,303)	-	8,53,216
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		(36,46,79,303)		8,53,216
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity shares	34,30,80,000	-	10,00,000	-
Borrowings (Term Loan)	7,48,44,164	41,79,24,164	-	10,00,000
NET CASH (USED IN) FINANCING ACTIVITIES		41,79,24,164		10,00,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		63,46,601		7,50,465
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		7,50,465		-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		70,97,066		7,50,465

Note 1

Change in Capital work-in-progress/Pre-Operative Expenses	(1,12,68,571)
Change in Payable to Joint Venture Partner (including Cost incurred on behalf of the company)	1,34,95,075
Change in Capital Advances given	(13,63,289)

Significant accounting policies

The accompanying Notes are an integral part of the Financial Statements

(a) Non cash transaction from Investing Activities

Particulars	As at 31st March 2020	Cash flows	Non Cash Changes	As at 31st March 2021
			Fair value adjustments	
Current Investments	-	(10,00,00,000)	6,32,566	(10,06,32,566)
	-	(10,00,00,000)	6,32,566	(10,06,32,566)

(b) Changes in liabilities arising from Financing Activities

Particulars	As at 31st March 2020	Cash flows	Non Cash Changes	As at 31st March 2021
			Fairvalue adjustment	
Non Current Borrowing	-	7,48,44,164	-	7,48,44,164
	-	7,48,44,164	-	7,48,44,164

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration no. 101248W/W100022



Rahul Choudhary

Partner

Membership No. 408408

For and on behalf of Board of Directors
of Aditya Birla Power Composite Limited

Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796

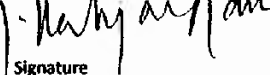
Signature

Brijesh Kumar
Chief Financial Officer

Signature

Membership No. : 403680

Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290



Neha Sharma
Company Secretary
Membership No. A52583



Place: Jodhpur
Date: 30 April 2021

Place: Mumbai

ADITYA BIRLA POWER COMPOSITES LIMITED

Statement of changes in equity for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

Amount in Rs.	
Particulars	As at 31st March 2021
Equity Share Capital Refer Note 9	
Balance as on the date of incorporation	-
Change in equity share capital during the period	10,00,000
Balance as at 31st March 2020	10,00,000
Change in equity share capital during the year	34,30,80,000
Balance as at 31st March 2021	34,40,80,000

(B) OTHER EQUITY

Amount in Rs.		
Particulars	Reserves and Surplus - Retained Earnings	Total Other Equity
Balance as of 1st April 2020	(13,19,164)	(13,19,164)
Loss for the year / period	(22,85,262)	(22,85,262)
Other Comprehensive Income for the year / period	-	-
Total Comprehensive Income		
Balance as at 31st March 2021	(36,04,426)	(36,04,426)

Significant accounting policies
The accompanying notes are an integral part of the financial statements.

1

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration no. 101248W/W100022



Rahul Choudhary
Partner
Membership No. 408408

Place: Jodhpur
Date: 30 April 2021


For and on behalf of Board of Directors
of Aditya Birla Power Composite Limited

Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796



Signature

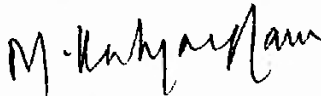
Brijesh Kumar
Chief Financial Officer



Signature
Membership No. : 403680

Place: Mumbai

Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290



Signature

Neha Sharma
Company Secretary
Membership No. A52583



Signature

ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

CORPORATE INFORMATION

Aditya Birla Power Composite Limited ("the Company") is a limited company incorporated on 15 October 2019 in India. The registered office is at Survey No. 158 - 159, Meghasar, Taluka- Halol, Halol- Kalol Road, Panch Mahals, Gujarat, India, 389330.

The Company formed primarily in manufacturing all kind of insulators made of composite, polymer, epoxy resins or any other substance, which may be used for insulations and all kind of related products or components used in sub-station applications or any other applications in the power sector.

The Company is a joint venture between Grasim Industries Limited and Maschinenfabrik Reinhausen GmbH which has been formed on 15 October 2019.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance:

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act").

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 30th April 2021.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost except for the certain financial assets and liabilities at fair value [refer accounting policy regarding financial instruments (covered under para 1.13)].

The financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 30th April 2021.

1.3 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest Crores, except as otherwise indicated.

1.4 Use of estimates and judgements

While preparing the financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

1.5 Judgements, assumptions and estimation uncertainties

Information about judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period 01 April 2020 to 31 March 2021 such as Determination of Borrowing rate for the purpose of recognition of right-of-use assets based on the management estimation considering the future expected borrowing rate to the company.



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

1.6 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 month period has been considered by the Company as its normal operating cycle.

1.7 Inventories:

Inventories are valued at cost.

The cost of inventory includes expenditure incurred for acquiring inventories like purchase price, taxes (net of tax credit) and other costs incurred in bringing the inventory to the present location and condition.

1.8 Treatment of Expenditure during Construction Period:

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

1.9 Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II of the Companies Act, 2013, or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has used the following useful lives of the Right of Use assets to provide depreciation.

A. Major assets class where useful life considered as provided in Schedule II:

S. No.	Nature of Assets	Estimated Useful Life of the Assets
1.	Leasehold Land	Over the period of Lease

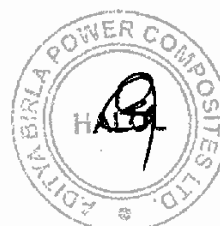
The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition, and in case of a new Project, from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

1.10 Leases:

As a lessee

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



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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1.11 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and cash at banks, including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

1.12 Borrowing Cost

Borrowing costs are interest cost incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset.

1.13 Employee benefits

- i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has present legal or constructive obligation to pay this amount as a result of past service provided by the



employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, bonus, ex gratia etc. are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

1.14 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit/(loss) 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.

1.15 Financial Instruments:

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

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification and subsequent measurement

The Company classifies its financial assets into i) financial assets measured at amortised cost, and ii) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

(i) Financial assets measured at amortised costs

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the statement of profit and loss. Any impairment loss arising from these assets are recognised in the statement of profit and loss

(ii) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which do not meet the criteria for classification as at amortised cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the statement of profit or loss.



Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial Liabilities:

Recognition, measurement and classification

Financial liabilities are classified, at initial recognition, as fair value through profit or loss:

- Loans and borrowings,
- Payables

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

All financial liabilities are recognised initially at fair value, and financial liabilities classified at amortised cost are measured net of directly attributable transaction costs.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

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.

1.16 Provision for Current and Deferred Tax:**Current Income Tax:**

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

Current income tax, relating to items recognised outside of the Statement of Profit and Loss, is recognised outside of the Statement of Profit and Loss (either in Other Comprehensive Income or in other equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate.

1.17 Provisions and Contingent Liabilities:

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

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.

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.

1.18 Earnings Per Share (EPS):

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

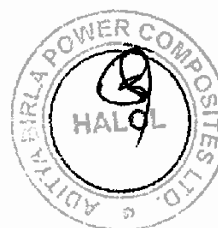
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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ADITYA BIRLA POWER COMPOSITES LIMITED**Notes to financial statements for the year ended 31st March 2021****Amount in Rs.****NOTE: 2**

Pre-Operative Expenses Pending Allocation included in Capital Work-in-Progress:	As at 31st March 2021	As at 31st March 2020
Expenditure incurred during the period		
Employee Benefits Expense		
Salaries, Wages and Bonus	84,22,740	11,85,982
Power and Fuel	11,63,882	-
Management Fees & Pre-operative Expenses	1,92,32,717	-
Machinery, Steel, Equipment, Civil Contractors, Cement and Others	21,05,78,062	5,69,644
IT Equipments	1,72,000	-
Depreciation	1,11,70,051	16,64,087
Finance Cost	1,11,29,446	13,42,387
Legal and Professional Charges	1,41,23,135	59,12,487
Travelling and Conveyance	32,80,227	2,41,984
Miscellaneous Expenses	13,78,617	3,52,000
	28,06,50,877	1,12,68,571
Less: Income Earned during the period	6,54,989	-
	27,99,95,888	1,12,68,571
Total Pre-Operative Expenses incurred during the period	27,99,95,888	1,12,68,571
Less: Pre-Operative Expenditure Allocated to PPE during the Period	-	-
Less: Pre-Operative Expenditure Charged to Statement of Profit and Loss during the Period	-	-
Total Pre-Operative Expenses Pending Allocation	27,99,95,888	1,12,68,571



ADITYA BIRLA POWER COMPOSITES LIMITED

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

NOTE: 3

Right of Use -Asset

Amount in Rs.

Particulars	As at 31st March 2021	As at 31st March 2020
Opening Gross Block	9,50,64,263	9,50,64,263
Additions	-	-
Transfer to Investment Property	-	-
As at 31st March 2021	9,50,64,263	9,50,64,263
Opening Accumulated Depreciation	16,64,087	-
For the year	95,05,964	16,64,087
Deletions/Adjustments	-	-
As at 31st March 2021	1,11,70,051	16,64,087
Net Block as at 31st March 2021	8,38,94,212	9,34,00,176



ADITYA BIRLA POWER COMPOSITES LIMITED

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

Amount Rs.

	As at 31st March 2021	As at 31st March 2020
NOTE: 4		
Other Non-current Financial Assets - Loans		
Security Deposits	2,21,506	10,000
	2,21,506	10,000
NOTE: 4A		
Other Non-current Financial Assets - Others		
Fixed Deposits	37,22,429	-
Capex Advances	3,77,63,654	16,03,872
	4,14,86,083	16,03,872

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ADITYA BIRLA POWER COMPOSITES LIMITED

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

	Amount Rs.	
	As at 31st March 2021	As at 31st March 2020
NOTE: 5		
INVENTORIES (Valued at cost)		
Raw Materials	21,01,006	-
Stores and Spares	15,525	-
	21,16,531	-



ADITYA BIRLA POWER COMPOSITES LIMITED

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

Financial assets - Investments

NOTE: 6

Amount in Rs.

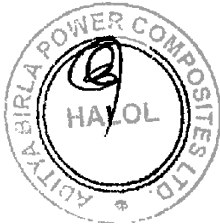
Particulars	NAV as on 31-03-2021	As at 31st March 2021		As at 31st Mar'2020	
		Number	Amount	Number	Amount
Unquoted- Carried at Fair Value through Profit and Loss					
Units of Mutual Fund					
Birla Sunlife Liquid Fund - Growth - Direct Plan	332	3,03,487	10,06,15,965		
Birla Sun Life Overnight Fund - Growth Direct Plan	1113	15	16,595		
TOTAL			10,06,32,560		



ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the year ended 31st March 2021

	Amount in Rs.	
	As at 31st March 2021	As at 31st March 2020
NOTE: 7		
Cash and cash equivalents		
Balances with banks		
Current accounts	70,97,066	7,50,465
	70,97,066	7,50,465

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ADITYA BIRLA POWER COMPOSITES LIMITED

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

Amount in Rs.

	As at 31st March 2021	As at 31st March 2020
NOTE: 8		
Other current assets		
Unsecured (Considered Good, except otherwise stated)		
Balances with government authorities	2,50,90,336	9,07,565
Other Current Assets	29,83,528	-
	2,80,73,864	9,07,565



ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the year ended 31st March 2021
Amount in Rs.
NOTE: 9
Share capital
Authorised:

4,50,00,000 (Previous year 4,50,00,000) Equity Shares of Rs. 10/- each

As at 31st March 2021	As at 31st March 2020
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45,00,00,000	45,00,00,000
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45,00,00,000	45,00,00,000
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Issued, subscribed and paid-up:
Equity share capital

3,44,08,000 Equity Shares of Rs. 10 each (Previous year 1,00,000 Equity Shares of Rs. 10 each) fully paid up

34,40,80,000	10,00,000
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34,40,80,000	10,00,000
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1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period

S. No.	Description	As at 31st March 2021		As at 31st March 2020	
		Equity Shares	Amount in Rs.	Equity Shares	Amount in Rs.
1	Shares outstanding at the beginning of the	1,00,000	10,00,000	-	-
2	Issued during the year / period	3,43,08,000	34,30,80,000	1,00,000	10,00,000
3	Shares outstanding at the end of the year / period	3,44,08,000	34,40,80,000	1,00,000	10,00,000

2 Term/right attached to equity shares

The Company has only one class of Equity shares having a par value of Rs. 10/- per share.

3 Details of shares held by holders holding more than 5% shares in the company as on 31st March 2021 :-

S. No.	Name of Share Holder	As at 31st March 2021		As at 31st March 2020	
		No of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
1	Grasim Industries Limited	1,75,48,080	51%	51,000	51%
2	Maschinenfabrik Reinhausen GmbH	1,68,59,920	49%	49,000	49%

As per records of The Company, including its registers of share holders/members, the above shareholding represents both legal and beneficial ownership of shares.



ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the year ended 31st March 2021

	Amount in Rs.	
NOTE: 10	As at	As at
Other equity	31st March 2021	31st March 2020
1) Reserves and Surplus - Retained Earnings		
i) Deficit as per Statement of Profit and Loss		
Opening Balance	-13,19,164	-
(Loss) for the year / period	-22,85,262	-13,19,164
	-36,04,426	-13,19,164

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ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the year ended 31st March 2021
Amount in Rs.

	As at 31st March 2021	As at 31st March 2020
NOTE: 11		
NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS		
Rupee Term Loans from Banks	7,48,44,164	-
	7,48,44,164	-

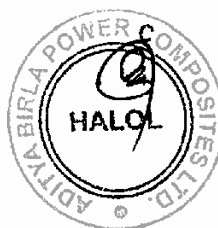
Non-current Financial Liability - Borrowing

	Non-current Portion as at		Current Maturities as at		Total as at	
Particulars	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
(Carried at Amortised cost, except otherwise stated)						
Secured						
Rupee Term Loan from Banks	7,48,44,164	-	-	-	7,48,44,164	-

Nature of Security, repayment term and break up of current and non-current
Secured Long term borrowing :

	As at 31st March 2021				As at 31st March 2020	
	Rate of interest	End of Tenure	Gross	Carrying value	Gross	Carrying value
a) Rupee term Loan from Bank						
Axis Bank	8.10%	30th July 2028	7,48,44,164	7,48,44,164	-	-

1) Rupee Term loan secured by way of first pari passu charge over entire moveable Assets of the company, present and future. Rupee Term loan secured by way of first pari passu by way of hypothecation in all the rights / titles. Repayment term is 28 Quarterly instalments from 1st August 2022



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

Note 12

(A) Carrying value of right of use assets at the end of the reporting period by class

Amount in Rs.

	Balance at 1st April 2020	Addition during the Period	Deletion during the Period	Depreciation for the period	Balance at 31st March 2021
Land	9,34,00,176	-	-	95,05,964	8,38,94,212
Total	9,34,00,176	-	-	95,05,964	8,38,94,212

(B) Maturity analysis of lease liabilities

Amount in Rs.

Maturity analysis – Contractual undiscounted cash flows	As on 31st March 2021
Less than one year	1,30,29,121
One to five years	7,12,48,573
More than five years	4,51,58,239
Total undiscounted lease liabilities at 31st March 2021	12,94,35,933
Lease liabilities included in the statement of financial position	-
Current	56,46,538
Non-Current	8,37,55,800

(C) Amounts recognised in profit or loss

Amount in Rs.

Particulars	Year ended on 31st March 2021
Interest on lease liabilities	78,24,242
Variable lease payments not included in the measurement of lease liabilities	-
Expenses relating to short-term leases	-
Expenses relating to leases of low-value assets, excluding short-term leases of	-
Income from sub-leasing right-of-use assets	-

(D) Amounts recognised in the statement of cash flows

Amount in Rs.

Particulars	Year ended on 31st March 2021
Opening Lease liability	9,42,27,728
Add: Implementation of AS 116 lease liability balance on 1st April 19	-
Add: New Contract under leases	-
Add: Interest on lease liability included in preoperative expenses	78,24,242
Less: Closing Liability as on 31st Mar'21	8,94,02,338
Total cash outflow for leases	1,26,49,632

Company has entered into Leave and License Agreement with Grasim Industries Ltd. to get Right of Use of Land for 10 years which includes extension and termination options.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

	Within five years	More than five years	Total
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	-	-	-




ADITYA BIRLA POWER COMPOSITES LIMITED**Notes to financial statements for the year ended 31st March 2021**

Amount in Rs.

	As at 31st March 2021	As at 31st March 2020
NOTE: 13		
Trade Payable		
Total outstanding due of Micro and Small Enterprises	-	-
Total outstanding due of Creditor other than Micro and Small Enterprises	3,68,64,098	11,48,148
	<u>3,68,64,098</u>	<u>11,48,148</u>
NOTE: 14		
Other Financial Liabilities		
Accrued expenses for employee benefits	1,16,545	-
	<u>1,16,545</u>	<u>-</u>
NOTE: 15		
Other current liabilities		
Statutory dues	3,57,585	2,16,413
Payable to Joint Venture partner (including Cost incurred on behalf of the company)	9,13,679	1,23,52,524
Other Payables	5,43,727	3,15,000
	<u>18,14,991</u>	<u>1,28,83,937</u>

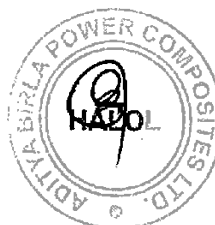



ADITYA BIRLA POWER COMPOSITES LIMITED**Notes to financial statements for the year ended on 31st March****Amount in Rs.****NOTE: 16**

	Year ended on 31st March 2021	Period ended on 31st March 2020
Other expenses		
Consumption of Stores and Spares	54,591	1,42,742
Rates and taxes	2,897	-
Conveyance expenses	4,070	34,089
Auditors Remuneration (Excluding Service Tax / GST)	4,50,000	3,50,000
Legal and professional fees	2,03,830	-
Impairment of Investment in Subsidiary (MGLRCL Corporate	-	-
Printing and Stationery	5,285	1,38,032
Books and Periodicals	-	300
Bank Charges	-	4,387
Welfare expenses	3,08,049	3,85,059
Miscellaneous expenses	12,56,540	2,64,554
	22,85,262	13,19,163

16.1 Auditors' Remuneration (excluding GST) Charged to the Statement of Profit and Loss**Payments to Statutory Auditor:**

Audit Fee	4,50,000	3,50,000
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ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the year ended on 31st March 2021
17 Earning Per Share (EPS)

The following reflects the profit and share data used in the basic and diluted

Particulars	As at 31st March 2021	As at 31st March
Net loss as per the statement of profit and loss (₹)	(22,85,262)	(13,19,164)
Weighted average number of equity shares	1,21,33,047	69,586
Basic/diluted EPS (₹)	(0.19)	(19)
Nominal value of shares (₹)	10.00	10.00

18 Contingent Liabilities not provided for in respect of claims / disputed liabilities not acknowledged as debts:

Particulars	As at 31st March	As at 31st March
Disputed Claims against the Company not acknowledged as Debts	-	-
Less : Provision made against the Claims in Books	-	-
Contingent Liability not provided for in the Books	-	-

19 CAPITAL, FINANCIAL AND OTHER COMMITMENTS

Particulars	As at 31st March	As at 31st March
(i) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided (Gross)	28,72,52,707	-
Less: Capital Advances	3,77,63,654	-
Estimated amount of contracts remaining to be executed on capital account and not provided {Net of Advances paid of ₹ Crore (Previous Year ₹ NIL Crore)}	24,94,89,053	-



20 Disclosure in respect of related parties pursuant to IND AS 24:

a) List of related parties:

1. Joint Venture Parties

Grasim Industries Limited

Maschinenfabrik Reinhausen GmbH

2. Ultra Tech Cement Limited- Subsidiary of Grasim Industries Limited

b) Transactions with related parties during the period as given below

Sr. No.	Particulars	Amount in Rs.	
		Year ended on 31st March 2021	Period ended on 31st March 2020
	Nature of Transactions:		
1	Allotment of equity shares		
	Grasim Industries Limited	17,49,70,800	5,10,000
	Maschinenfabrik Reinhausen GmbH	16,81,09,200	4,90,000
		34,30,80,000	10,00,000
2	Lease rent		
	Grasim Industries Limited	1,26,49,632	21,78,922
		1,26,49,632	21,78,922
3	Management Fees		
	Grasim Industries Limited	1,22,32,716	
		1,22,32,716	
4	Other Expenses		
	Grasim Industries Limited	70,00,000	-
		70,00,000	-
5	Reimbursement of Expenses		
	Grasim Industries Limited	71,14,374	1,01,73,602
	Maschinenfabrik Reinhausen GmbH	25,25,602	
		96,39,976	1,01,73,602
6	Purchase Transaction		
	Ultra Tech Cement Limited	67,30,927	-
	Grasim Industries Limited	12,39,880	-
		79,70,807	-
7	Outstanding Balances		
	Amount Payable as on 31st March 2021		
	Grasim Industries Limited	9,13,679	1,23,52,524
	Ultra Tech Cement Limited	10,17,745	-
		19,31,424	1,23,52,524

All transactions entered into with related parties as defined under the Companies Act, 2013 during the period, were on arms length pricing basis

21 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

22 Other Matters

Information with regards to other matters specified in Schedule III to the Act and Other Indian Accounting Standards is either nil or not

As per our attached Report of even date

For and on behalf of Board of Directors of
Aditya Birla Power Composites Limited

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration no: 101248 W/W/00022

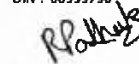


Rahul Choudhary
Partner

Membership No: 408408

Rohit Pathak
Director & Chief Executive Officer

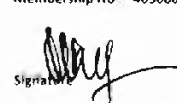
DIN: 08539796



Signature

Brijesh Kumar
Chief Financial Officer

Membership No: 403680

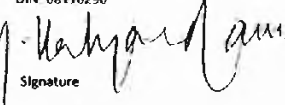


Signature

Kalyan Ram Madabhushi

Chairman & Director

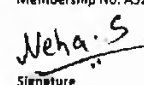
DIN: 08116290



Signature

Neha Sharma
Company Secretary

Membership No. A52583



Signature

Place: Jodhpur
Date: 30 April 2021

Place: Mumbai

**ADITYA BIRLA RENEWABLES
LIMITED**

6TH ANNUAL REPORT

2020-21



BOARD OF DIRECTORS' REPORT

To

The Members of the Company

Aditya Birla Renewables Limited

Your Directors have pleasure in presenting the 6th (sixth) Board of Directors' Report together with Audited Financial Statements of your Company for the year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Total Income	81,23,81,405	31,53,98,466
Less : Total Expenses	94,11,33,711	54,45,00,859
Profit/(Loss) for the year before tax	(12,87,52,306)	(22,91,02,393)
Tax Expenses		
Current Tax	1,83,688	-
MAT Credit entitlement	0	73,28,175
Deferred Tax	(7,40,73,044)	(1,28,61,303)
Profit/ (Loss) for the year after tax (A)	(5,48,62,950)	(22,35,69,265)
Other Comprehensive Income (B)	(2,02,43,672)	(2,38,80,753)
Total Comprehensive Income for the year (A+B)	(7,51,06,622)	(24,74,50,018)

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Corporate ID No. J40300MH2015PLC267263



2. State of the Company's affairs

During the financial year 2020-21, the Company has successfully commissioned 3 (three) solar power plants as follows and the same are operating satisfactorily:

Sr. No.	Name of the Project, Capacity and Location
1.	Odisha 2 – 35.0 MWp DC Village: Bhalu Bahal, Budapali and Lemadhar, Tahasil: Bijepur, District: Bargarh – 768032, Odisha.
2.	Odisha 3 – 35.0 MWp DC Village: Dumermunda and Ghunsar, Tahasil: Saintala, District: Bolangir, – 767032, Odisha.
3.	Gujarat 3 – 50 MWp DC Village: Rojasar, Limbdi, Surendranagar – 363421, Gujarat.

The following existing solar power plants of the Company which were commissioned earlier are also operating satisfactorily:

Sr. No.	Name of the Project, Capacity and Location
1.	Karwar – 20 MWp DC Village: Devar Nimbargi, Taluka: Indi, Bijapur – 586204, Karnataka.
2.	Gujarat 1 – 52.5 MWp DC Village: Jaloya, Suigaam, Banaskantha – 385570, Gujarat.
3.	Gujarat 2 – 42.9 MWp DC Village: Pipardi, Jesar, Bhavnagar – 364510, Gujarat.
4.	Odisha 1 – 35.0 MWp DC Village: Raipur, Gandhigram and Debagarh, Tahasil: Harabhanga, District: Boudh – 762012, Odisha.

The net solar power units sold, after considering auxiliary consumption, were 29,44,09,670 units during the year. The revenue from operations of the Company was Rs. 79,65,85,093 (including EPC revenue of Rs. Nil) during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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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, 2021.

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, 2021 and the date of the Board of Directors report, there are no other 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 2020-21:

- i. Pursuant to the approval granted by the Board of Directors of the Company on February 4, 2020, the Company has incorporated jointly with Hindalco Industries Limited (HIL), a subsidiary by name Aditya Birla Renewables Solar Limited (ABReSL) with effect from April 10, 2020 wherein the Company holds 74% equity stake in the subsidiary.
- ii. Pursuant to the approval granted by the Board of Directors of the Company on February 4, 2020, the Company has incorporated jointly with UltraTech Cement Limited (UTCL), a subsidiary by name Aditya Birla Renewables Energy Limited (ABReEL), with effect from April 13, 2020 wherein the Company holds 74% equity stake in the subsidiary.
- iii. Pursuant to the approval granted by the Board of Directors of the Company on December 10, 2020, the Company has incorporated a subsidiary by name ABReL SPV 2 Limited (ABReEL), with effect from December 28, 2020 wherein the Company holds 100% equity stake in the subsidiary.

Further, none of the companies have 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

The information related to the performance and financial position of subsidiaries, associates and joint ventures as per section 129(3) of the Companies Act, 2013 read with rule 5 and rule 8(1) of the Companies (Accounts) Rules, 2014 in Form No. AOC-1 is attached herewith as **Annexure – A**.

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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, 2021.

9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

- i. Authorized Share Capital:
Rs. 340,00,00,000 (Rupees Three Hundred Forty Crore Only) divided into 34,00,00,000 (Thirty-Four Crore) Equity shares of Rs. 10 each.
- ii. Issued, Paid-up and Subscribed Capital:
Rs. 3,20,02,53,560 (Rupees Three Hundred Twenty Crore Two Lakh Fifty-Three Thousand Five Hundred Sixty Only) divided into 32,00,25,356 (Thirty-Two Crore Twenty-Five Thousand Three Hundred Fifty-Six Only) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Devajyoti N. Bhattacharya, Mr. Ravinder Khanna and Mrs. Pinky Atul Mehta, were the Directors of the Company since incorporation of the Company. Mrs. Pinky Atul Mehta (DIN: 00020429) is the woman director on the Board of Directors of the Company. Further, during the year, Mr. Ravinder Khanna, Managing Director of the Company ceased to be a Director due to his demise on March 14, 2021. Subsequently, Company appointed Mr. Amitabh Verma as an Additional Director (Executive Director) of the Company with effect from March 20, 2021 to hold office upto the date of ensuing Annual General Meeting. All the Directors of your Company have given requisite declarations pursuant to section 164 of the Companies Act, 2013 that they are not disqualified to be appointed as Directors of your Company.

Further, at the Extra-Ordinary General Meeting of Members held on April 19, 2021, Mr. Amitabh Verma was appointed as an Executive Director for a period of 18 (eighteen) months with effect from March 20, 2021 by the members of the Company.

11. Independent Directors

The Company is a wholly owned subsidiary of Grasim Industries Limited with effect from May 18, 2018 and is thus exempted from appointment of Independent Directors, vide Ministry of Corporate Affairs (MCA) notification dated 05th July, 2017 issued under Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, inter-alia amending Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

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12. 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, 2021 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 2020-21 (DD/MM/YY)						
	01.06.2020	31.07.2020	12.09.2020	04.11.2020	10.12.2020	01.02.2021	20.03.2021
Mr. Devajyoti N. Bhattacharya	✓	✓	✓	✓	✓	✓	✓
Mrs. Pinky Atul Mehta	✓	✓	✓	✓	✓	✓	✓
Mr. Ravinder Khanna	✓	✓	✓	✓	✓	✓	Not Applicable
Mr. Amitabh Verma	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓

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

13. 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, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- The Directors had 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;

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- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company is a wholly owned subsidiary of Grasim Industries Limited with effect from May 18, 2018 and is thus exempted from the requirement of constitution of the Committees thereof, vide Ministry of Corporate Affairs (MCA) notification dated 13th July, 2017 amending Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with amended Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

15. Corporate Social Responsibility (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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.

16. Disclosure of issue of equity shares with differential rights

During the financial year 2020-21, 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.

17. Disclosure of issue of sweat equity shares

During the financial year 2020-21, 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.

18. 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 (Share Capital and Debentures) Rules, 2014 are not applicable.

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19. 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.

20. Key Managerial Personnel

During the financial year 2020-21, following were the Key Managerial Personnel of the Company:

Mr. Ravinder Khanna	:	Managing Director
Mr. Pawan Kumar Jain	:	Chief Financial Officer
Ms. Shweta Mayekar	:	Company Secretary

*Mr. Ravinder Khanna ceased to be a Managing Director of the Company due to his demise on March 14, 2021.

21. Establishment of vigil mechanism

Pursuant to section 177(9) of the Companies Act, 2013, the Board of Directors of the Company has established a vigil mechanism in the form of Whistle Blower Policy at its meeting held on December 21, 2015, which was reviewed by the Board at its meeting held on May 20, 2019, which provides for adequate safeguards against victimization of persons who use such mechanism. Further, there is provision to access Nominated Director of the Company who is appointed to play role of Audit Committee directly in exceptional cases. As the Company does not have any website, the vigil mechanism policy is not placed on the website. Further, there is no alleged wrongful conduct received/noticed during the financial year ended on March 31, 2021.

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

Mr. Ravinder Khanna, Managing Director has not received any commission from the Company or its holding company during the financial year 2020-21 and as such, the disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

23. 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.

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24. Performance evaluation of the Board, the Individual Directors and that of its Managing Director and the Individual Directors of the company

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, performance of the Individual Directors and Managing Director. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors.

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

The Company is a wholly owned subsidiary of Grasim Industries Limited with effect from May 18, 2018 and is thus exempted from the requirement of constitution of the Committees thereof, vide Ministry of Corporate Affairs (MCA) notification dated 13th July, 2017 amending Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with amended Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

However, the Company has followed due procedure relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes and other related matters as provided under section 178(3) of the Companies Act, 2013.

26. Auditors

Statutory Auditors:

M/S. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 2nd (second) Annual General Meeting till the conclusion of the 7th (seventh) Annual General Meeting.

Secretarial Auditors:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as the Secretarial Auditors of the Company on June 1, 2020 in accordance with Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21.

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27. Auditors' Report

Statutory Audit 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.

Secretarial Audit Report:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as Secretarial Auditor to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines. The Secretarial Audit Report is provided in Form MR-3 attached herewith as **Annexure – B**. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

28. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

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

a) During the financial year 2020-21, the Company has given loans as follows pursuant to provisions of section 186 of the Companies Act, 2013:

Sr. No.	Name of the Company to whom loan provided	Amount (in Rs.)	Outstanding as on March 31, 2021
1	Aditya Birla Renewables Energy Limited *	2,00,00,000	-
2	Waacox Energy Private Limited *	4,20,00,000	-
3	Emmvee Photovoltaic Power Private Limited *	8,70,00,000	1,20,00,000
4	Aditya Birla Renewables Solar Limited *	8,40,00,000	3,20,00,000
5	ABReL SPV 2 Limited *	50,00,000	50,00,000

*Loans provided in form of inter corporate deposit.

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b) The Company has obtained Bank Guarantees (BG) and the details of which are as follows:

YES BANK

The lender has sanctioned BG facility of Rs. 18.20 crores. This BG facility has been utilised for providing the following bank guarantees to the subsidiary and associate companies:

(in Rs.)

Name of the Company	Expiry Date	As at 31 March 2021	As at 31 March 2020
Subsidiary			
Aditya Birla Renewables SPV 1 Limited	15 April 2020	-	1,00,00,000
Associate			
Waacox Energy Private Limited	30 June 2021	3,20,00,000	3,20,00,000
Total		3,20,00,000	4,20,00,000

There are no securities provided by the Company in terms of section 186 of the Act, read with rules issued thereunder.

c) The Company has made investments pursuant to the provisions of sections 179(3)(e) and 186 of the Companies Act, as per the details as given below:

Sl. No.	Name of the Investee	No. of equity shares	Amount of Investment
Subsidiaries			
1	Aditya Birla Renewables SPV 1 Limited	4,63,31,577	47,25,82,085.40
2	Aditya Birla Renewables Subsidiary Limited	1,96,24,800	19,64,11,540
3	Aditya Birla Renewables Utkal Limited	36,26,000	3,62,60,000
4	Aditya Birla Renewables Solar Limited	3,70,000	37,00,000
5	Aditya Birla Renewables Energy Limited	97,31,000	9,73,10,000
6	ABReL SPV 2 Limited	5,000	50,000
Associates			
1	Waacox Energy Private Limited	3,06,29,900	30,62,99,125
Aggregate value of unquoted investment		11,03,18,277	1,11,26,12,750

30. 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 August 02, 2016 and is available at the registered office of the Company. During the financial year 2020-21, 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 - C**) 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.

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

During the financial year 2020-21, 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

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

As on March 31, 2021, there are no deposits/any other money, which are not in compliance with requirements of Chapter V of the Companies Act, 2013.

33. 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.

34. 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 August 2, 2016, which was reviewed by the Board at its meeting held on May 20, 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.

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35. 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 –	

The foreign exchange earned in terms of actual inflows during the reporting period and the foreign exchange outgo during the reporting period in terms of actual outflows – USD 3,22,537.98 (outflow)

36. 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.

37. 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 2020-21, there are 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.

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

There is no revision of Financial Statements or Board of Directors' Report during the preceding financial year(s).

Aditya Birla Renewables Limited

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Corporate ID No.: U40300MH2015PLC267263



39. Cost Records

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21 the company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted the Internal Complaints Committee (ICC) as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

41. Update on the Merger of Aditya Birla Solar Limited with and into the Company

The Company had approved the draft Scheme of the proposed merger and had authorized officials of the Company to do such acts, deeds and things for and on behalf of the Company in relation to the proposed Scheme at its Board meeting held on November 26, 2019.

Later, the Company had filed the Application and Scheme of Arrangement with the National Company Law Tribunal, Mumbai ("NCLT") on March 27, 2020 for the amalgamation of Aditya Birla Solar Limited with and into the Company under Sections 230 and 232 of the Companies Act, 2013 and the rules framed thereunder. This Application had been filed online on the NCLT portal owing to the nationwide lockdown in India. Further, the matter was heard on February 17, 2021 wherein the application was allowed and the requirement of convening meetings of shareholders and unsecured creditors of both ABSL and ABReL has been dispensed with. Pursuant to this hearing, the Company had received the interim order and as on March 31, 2021, the Company was awaiting a detailed order with directions in order to comply with the Companies Act, 2013 and rules thereunder.

Further, the detailed order was received on April 9, 2021 and the Company had complied with the directions as set out in the order by April 15, 2021. The Company shall shortly file a compliance affidavit with respect to the aforesaid directions and a petition seeking sanction on the merger and the dissolution of Aditya Birla Solar Limited.

42. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

43. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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Corporate ID No: U40300MH2015PLC267263



44. 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 2020-21.

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

**Place: Mumbai
Date: May 18, 2021**




Amitabh Verma
(Executive Director)
DIN: 08990619


Pinky Atul Mehta
(Director)
DIN: 00020429



ANNEXURE – A

FORM NO. AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Sr. No.	1	2	3	4	5	6
2	Name of the Subsidiary	Aditya Birla Renewables SPV 1 Limited	Aditya Birla Renewables Subsidiary Limited	Aditya Birla Renewables Utkal Limited	Aditya Birla Renewables Solar Limited	Aditya Birla Renewables Energy Limited	ABReL SPV 2 Limited
3	The date since when subsidiary was acquired	June 19, 2017	May 8, 2018	May 27, 2019	April 10, 2020	April 13, 2020	December 28, 2020
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	April 1, 2020 to March 31, 2021	April 10, 2020 to March 31, 2021	April 13, 2020 to March 31, 2021	December 28, 2020 to March 31, 2021
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR
6	Share Capital	62,61,02,400	26,52,00,000	4,90,00,000	50,00,000	13,15,00,000	50,000
7	Reserves & Surplus	7,08,27,546	2,54,57,289	93,77,152	(33,51,818)	(49,77,258)	(48,31,060)
8	Total Assets	2,91,68,71,203	1,27,59,11,291	22,26,96,409	3,46,58,872	66,39,53,150	11,98,392
9	Total Liabilities	2,21,99,41,257	98,52,54,002	16,43,19,257	3,30,10,690	53,74,30,408	59,79,452
10	Investments	0	1,51,74,305	0	0	0	0
11	Turnover	30,96,55,220	15,50,42,323	3,29,65,216	0	91,82,360	0
12	Profit before taxation	4,72,29,453	2,53,73,140	1,11,55,916	(33,51,818)	31,11,436	(48,31,060)
13	Provision for taxation (deferred tax and MAT credit entitlement)	(4,76,13,169)	(2,12,67,429)	28,15,499	0	7,65,944	0
14	Profit (including other comprehensive loss) after taxation	8,81,34,618	4,66,40,569	83,40,417	(33,51,818)	(49,77,258)	(48,31,060)
14	Proposed dividend	0	0	0	0	0	0
15	Extent of shareholding (in percentage)	74%	74%	74%	74%	74%	100%

Note: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations:

ABReL SPV 2 Limited was incorporated on December 28, 2020 for setting up of 120 MW Solar Power Plant(s) in the state of Gujarat for Gujarat Urja Vikas Nigam Limited (GUVNL).

2. Names of subsidiaries which have been liquidated or sold during the year: NIL

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Corporate ID No.: U40300MH2015PLC26/263



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Waacox Energy Private Limited
1. Latest audited Balance Sheet Date	March 31, 2021
2. Date on which the Associate or Joint Venture was associated or acquired	June 27, 2018
3. Shares of Associate / Joint Ventures held by the company on the year end	
No.	3,06,29,900
Amount of Investment in Associates / Joint Venture	30,62,99,125
Extent of Holding (in percentage)	49%
4. Description of how there is significant influence	Not Applicable
5. Reason why the associate / joint venture is not consolidated	Pursuant to section 129(3) of the Companies Act, 2013 read with second proviso to rule 6 of the Companies (Accounts) Rules, 2014, Grasim Industries Limited, the holding company of Aditya Birla Renewables Limited has consolidated 49% stake of the said Associate Company amounting to a profit of Rs.1,37,90,856
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 31,94,56,639
7. Profit/(Loss) for the year	
(i) considered in Consolidation	Refer Point No. 5
(ii) Not considered in Consolidation	Refer Point No. 5

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidate or sold during the year: NIL

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



Amitabh Verma
(Executive Director)
DIN: 08990619

Pinky Atul Mehta
(Director)
DIN: 00020429

Place: Mumbai
Date: May 18, 2021

Dilip Bharadiya
B.Com., A.C.A., F.C.S.
Proprietor

DILIP BHARADIYA & ASSOCIATES
COMPANY SECRETARIES

Phone : 91 - 22 - 2888 3756
Mobile : 91 - 98202 90360
Email : dilipbcs@gmail.com
: dilip@csdilip.com

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ADITYA BIRLA RENEWABLES LIMITED
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Birla Renewables Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

On account of ongoing and evolving pandemic of COVID-19 and consequent lockdown as directed by the Central and State Government(s), the process of audit has been modified. Some of the documents /records /returns / registers /minutes were not verified physically, however, the documents were made available in electronic mode and were verified based on the representations received from the Company for its accuracy and authenticity. Our report also covers the due adherence of the miscellaneous circulars/ notifications/guidelines as issued by the regulatory bodies from time to time. Further we have verified books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure I, for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Contd. . 2



:: 2 ::

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; to the extent applicable,
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") were not applicable to the Company during the period under review

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The List of other Laws / Rules/ Regulations applicable to the Company is given in Annexure II.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The Company is a wholly-owned subsidiary of Grasim Industries Limited ('GIL') and as per Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2017 amended and notified on 5th July, 2017, pursuant to which the Company was not required to appoint any Independent Director on its Board. Further, Rule 6 of Companies (Meetings of Board and its Powers) Rules, was amended and notified on 13th July, 2017 and subsequently the Company was not required to constitute an Audit Committee or Nomination and Remuneration Committee of the Board of Directors of the Company.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for convening the Board Meetings, committee meeting at a shorter notice with due consent from the Directors. A system also exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions including resolutions passed by way of circulation of the Board of Directors are approved by the requisite majority and are duly recorded in the board minutes.

Contd . . 3



:: 3 ::

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

We further report that, during the year under review:

- i. The Board of Directors in the meeting held on 12th September, 2020 approved the issue of 1,20,29,472 Equity Shares of Rs. 10/- per share on Rights basis, of which, 1,11,47,500 Equity Shares were then allotted by a resolution passed by way of circulation ("said resolution") on 6th October 2020 and the said resolution was noted by the Board of Directors at their meeting held on November 4, 2020.
- ii. The Board of Directors in the meeting held on 10th December 2020 passed a resolution to incorporate a Wholly Owned Subsidiary (WOS) - ABREL SPV 2 LIMITED.
- iii. On 17th February 2021 the Hon'ble National Company Law Tribunal (NCLT) allowed the Application of Amalgamation amongst the Company and Aditya Birla Solar Limited (ABSL) and the requirement of convening meetings of shareholders and unsecured creditors of both ABSL and the Company was dispensed with. However, the detailed order was received on 9th April 2021 and the Company had complied with the directions as set out in the order by 15th April 2021. The Company is in the process of filing a petition seeking sanction on the Scheme of Amalgamation.
- iv. The Members in the Extra Ordinary General Meeting held on 16th March, 2021 passed a special resolution for increase in the limits to give loans and/or to make investments and/or to give advances and/or to give guarantees and/or to provide securities upto Rs. 350 Crores.
- v. The Board of Directors in the meeting held on 20th March, 2021 approved the issue of 3,59,78,169 Equity Shares of Rs. 10/- per share on Rights basis, of which, 3,22,00,000 Equity Shares were then allotted by a resolution passed by way of circulation ("said resolution") on 31st March, 2021 and the said resolution was noted by the Board of Directors at their meeting held on 5th May, 2021.

NOTE: This report is to be read with our letter of even date which is annexed as Annexure III and forms an integral part of this report.

Place : Mumbai

Date : May 18, 2021

For DILIP BHARADIYA & ASSOCIATES

Dilip Bhargava

DILIP BHARADIYA
Proprietor

FCS No.: 7956, C P No.: 6740

UDIN : F007956C000340244



ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial period ended 31st March, 2020.
3. Minutes of the meetings of the Board of Directors, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - Register of Directors & KMP
 - Register of Directors' Shareholding
 - Register of Contracts or arrangements in which directors are interested
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Charges
 - Agenda papers submitted to all the directors / members for the Board Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.



ANNEXURE - II

List of applicable Laws/ Rules/ Regulations of the company:

1. Electricity Act, 2003
2. Indian Electricity Rules 1956
3. Factories Act, 1948
4. The Rules, Regulations and applicable Orders under Central and State Electricity Regulatory Commission / Authority.



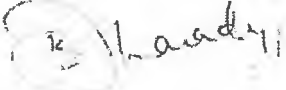
ANNEXURE - III

To,
The Members,
ADITYA BIRLA RENEWABLES LIMITED
MUMBAI

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

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

For **DILIP BHARADIYA & ASSOCIATES**


DILIP BHARADIYA
Proprietor
FCS No.: 7956, C P No.: 6740



Place : Mumbai
Date : May 18, 2021



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 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

I. Details of contracts or arrangements or transactions not at arm's length basis: Nil

II. 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. (Rs. in Lacs)	Date of approval by the Board, if any	Amount paid as advances, if any
1	Project Management Service	Grasim Industries Limited	Holding Company	Short Term Contract	Contract for Project Management Services for Pipardi Project, Gujarat. The Order Value of Contract is Rs. 3,56,33,735.09	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: June, 1, 2020	Nil
2	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Holding Company	Long term contract	Contract for Supervision and Monitoring Service of O&M for Boudh Project, Odisha. The Order Value of Contract for 1 st Year is Rs. 2,46,750.	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: June, 1, 2020	Nil
3	Project Management Service	Grasim Industries Limited	Holding Company	Short Term Contract	Contract for Project Management Services for Boudh Project, Odisha. The Order Value of Contract is Rs. 3,11,34,141.85	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: June, 1, 2020	Nil

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4	Project Management Service	Grasim Industries Limited	Holding Company	Short Term Contract	Contract for Project Management Services for Baragarh Project, Odisha. The Order Value of Contract is Rs. 3,24,24,000	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: June, 1, 2020	Nil
5	Project Management Service	Grasim Industries Limited	Holding Company	Short Term Contract	Contract for Project Management Services for Bolangir Project, Odisha. The Order Value of Contract is Rs. 3,33,21,000	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: June, 1, 2020	Nil
6	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Holding Company	Long term contract	Contract for Supervision and Monitoring Service of O&M for Pipardi Project, Gujarat. The Order Value of Contract for 1 st Year is Rs. 4,39,000.	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 4, 2020 Noting by Board Date: July 31, 2020	Nil
7	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Holding Company	Long term contract	Contract for Supervision and Monitoring Service of O&M for Baragarh Project, Odisha. The Order Value of Contract for 1 st Year is Rs. 2,75,159.85.	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 1, 2021 Noting by Board Date: March 20, 2021	Nil
8	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Holding Company	Long term contract	Contract for Supervision and Monitoring Service of O&M for Rojasar Project, Gujarat. The Order Value of Contract for 1 st Year is Rs. 3,07,500.	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 1, 2021 Noting by Board Date: March 20, 2021	Nil
9	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Holding Company	Long term contract	Contract for Supervision and Monitoring Service of O&M for Bolangir Project, Odisha. The Order Value of Contract for 1 st Year is Rs. 2,89,364.25.	Project Approval Date: September 22, 2018 Annual RPT Approval Date: February 1, 2021 Noting by Board Date: March 20, 2021	Nil

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10	Land Lease Agreement	Aditya Renewables SPV 1 Limited	Subsidiary Company	Long Term Contract	Land Lease Agreement; Long Term Contract to take land on lease from Aditya Renewables SPV 1 Limited. The total value of the lease agreement – not exceeding Rs. 1,90,00,000 (Rupees One Crore Ninety Lakh Only) approx.	<u>Project Approval Date:</u> February 4, 2020 <u>RPT Approval Date:</u> February 1, 2021 <u>Noting by Board Date:</u> May 5, 2021	Nil
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**For and on behalf of the Board of Directors of
Aditya Birla Renewables Limited**

**Place: Mumbai
Date: May 18, 2021**



Amitabh Verma
(Executive Director)
DIN: 08990619

Pinky Atul Mehta
(Director)
DIN: 00020429

Aditya Birla Renewables Limited

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Corporate ID No.: U40300MH2015PLC267263

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables 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 Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 2021, its loss 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 Ind AS 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 Auditors' 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 Ind AS 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.



Aditya Birla Renewables Limited
Independent Auditor's Report

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 Ind AS 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.



Aditya Birla Renewables Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended 31 March 2021 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;

Aditya Birla Renewables Limited
Independent Auditor's Report

- (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: 21036738AAAADJ9109
Place of Signature: Mumbai
Date: 18 May 2021

Aditya Birla Renewables Limited
Independent Auditor's Report

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, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except for a lease deed pending for 1 land parcel at Bolangir of Rs. 2,19,68,999. As explained to us, the Company is in the process of entering into lease deed for this land. The Company has constructed buildings which is appearing in the Company's property, plant and equipment, on such land, having gross block of Rs. 2,24,03,027 and net block of Rs. 2,22,03,512.
- (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, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (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 provident fund, income-tax, goods and service tax, duty of custom, provident fund, cess and other statutory dues applicable to it. The provisions relating to 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, goods and service tax, cess, duty of custom, provident fund, 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 employees' state insurance, sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.



Aditya Birla Renewables Limited
Independent Auditor's Report

- (c) According to the information and explanations given to us, there are no dues of income tax, and goods and service tax, cess, duty of custom, provident fund which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, 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 banks. The Company has not issued any debentures or does not have any borrowings from the Government or financial institutions.
- (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.
- (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.



Aditya Birla Renewables Limited
Independent Auditor's Report

- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



Mr. Vinay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAADJ9109
Place of Signature: Mumbai
Date: 18 May 2021

Aditya Birla Renewables Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables Limited ("the Company") as of 31 March 2021 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

Aditya Birla Renewables Limited
Independent Auditor's Report

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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAADJ9109
Place of Signature: Mumbai
Date: 18 May 2021

Balance Sheet as at 31 March 2021

in Rs.

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non current assets			
Property, plant and equipment	3A	8,33,50,59,095	4,91,88,82,840
Right of use assets	3B	15,33,91,638	21,44,366
Capital work in progress	3C	43,27,655	82,06,06,850
Deferred tax assets (net)	4	9,38,49,686	1,29,68,085
Financial assets			
Investments	5	1,11,26,12,750	1,01,15,52,750
Other financial assets	6	43,12,678	3,34,17,184
Other non current assets	7	64,09,140	7,44,82,620
Non current tax assets (net)	8	24,55,701	9,73,590
		9,71,24,18,343	6,87,50,28,285
Current assets			
Financial assets			
Trade receivables	9	98,89,002	3,99,14,272
Cash and cash equivalents	10	4,15,66,840	13,64,52,362
Bank balances other than cash and cash equivalents	11	7,80,00,000	1,28,86,234
Other financial assets	12	16,51,22,325	5,24,15,758
Other current assets	13	3,21,90,867	5,99,40,389
		32,67,69,034	30,16,09,015
Total assets		10,03,91,87,377	7,17,66,37,300
Equity and liabilities			
Equity			
Equity share capital	14	3,20,02,53,560	2,76,67,78,560
Other equity	15	24,47,35,503	16,96,28,881
Total equity		2,95,55,18,057	2,59,71,49,679
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	16	6,51,81,54,881	3,77,20,41,239
Lease Liability		8,44,02,137	-
Provisions	17	1,81,01,773	2,56,82,713
		6,62,06,58,791	3,79,77,23,952
Current liabilities			
Financial liabilities			
Borrowings	16	5,00,00,000	10,00,00,000
Trade payables	18		
Total outstanding dues of micro and small enterprises		13,56,213	33,052
Total outstanding dues of creditors other than micro and small enterprises		2,62,08,403	1,88,68,210
Other financial liabilities	19	36,34,24,864	62,81,21,973
Other current liabilities	20	1,12,74,624	1,48,92,162
Provisions	21	1,07,46,425	1,98,48,272
		46,30,10,529	78,17,63,669
Total liabilities		7,08,36,69,320	4,57,94,87,621
Total equity and liabilities		10,03,91,87,377	7,17,66,37,300

Summary of significant accounting policies

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

Membership No.: 324982E/E300003



Pankaj Mahajan

Partner

Membership No.: 36738

Place: Mumbai

Date: 18 May 2021

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



Amitabh Verma

Executive Director

DIN:08990619

Pinky Atul Mehta

Director

DIN:0020429



Pawan Kumar Jain
Chief Financial Officer



Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai

Date: 18 May 2021

Statement of Profit & Loss for the year ended 31 March 2021

(in Rs.)			
Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	22	79,65,85,093	30,39,83,087
Other income	23	1,57,96,312	1,14,15,379
Total income		81,23,81,405	31,53,98,466
Expenses			
Direct expenses	24	5,17,52,401	8,04,14,069
Depreciation expenses	3	20,52,38,221	5,37,03,086
Employee benefit expenses	25	19,96,57,145	22,43,75,193
Finance costs	26	44,16,52,714	11,01,58,376
Other expenses	27	4,28,33,230	7,58,50,135
Total expenses		94,11,33,711	54,45,00,859
Loss for the period before tax		(12,87,52,306)	(22,91,02,393)
Tax expenses			
Current tax		1,83,688	-
Deferred tax	4	(7,40,73,044)	(1,28,61,303)
MAT credit entitlement		-	73,28,175
Total tax expenses		(7,38,89,356)	(55,33,128)
Loss for the year		(5,48,62,950)	(22,35,69,265)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement gains/(losses) on defined benefit plans		52,25,832	(85,27,983)
Net movement on cash flow hedge		(3,22,78,061)	(2,33,85,358)
Income tax effect	4	68,08,557	80,32,588
Other comprehensive income for the year		(2,02,43,672)	(2,38,80,753)
Total comprehensive income for the year		(7,51,06,622)	(24,74,50,018)
Earnings per equity share of Rs. 10 each			
Basic and diluted	28	(0.19)	(1.20)

Summary of significant accounting policies

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 Registration No.: 324982E/E300003



Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 18 May 2021

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



Amitabh Verma
Executive Director
DIN:08990619



Pinky Atul Mehta
Director
DIN:00020429



Pawan Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: 18 May 2021



Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Statement of changes in equity for the year ended 31 march 2021

A) Equity share capital

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1 April 2019	11,88,09,600	1,18,80,96,000
Issue of equity share capital (note 14)	15,78,68,256	1,57,86,82,560
As at 31 March 2020	27,66,77,856	2,76,67,78,560

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1st April 2020	27,66,77,856	2,76,67,78,560
Issue of equity share capital (note 14)	4,33,47,500	43,34,75,000
As at 31 March 2021	32,00,25,356	3,20,02,53,560

B) Other equity

Particulars	Surplus in the statement of profit and loss	Securities premium	Other comprehensive income	Total
As at 1 April 2019	89,48,697	-	-	89,48,697
Additions during the year (note 15)	(22,35,69,265)	6,88,72,440	(2,38,80,753)	17,85,77,578
As at 31 March 2020	(21,46,20,568)	6,88,72,440	(2,38,80,753)	(16,96,28,881)

Particulars	Surplus in the statement of profit and loss	Securities premium	Other comprehensive income	Total
As at 1 April 2020	(21,46,20,568)	6,88,72,440	(2,38,80,753)	(16,96,28,881)
Additions during the year (note 15)	(5,48,62,950)	-	(2,02,43,672)	(7,51,06,622)
As at 31 March 2021	(26,94,83,518)	6,88,72,440	(4,41,24,425)	(24,47,35,503)

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 Vijay Nataraj

Partner

Membership No.: 36738

Place: Mumbai

Date: 18 May 2021

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

Amitabh Verma
Executive Director
DIN:08990619

Pinky Atul Mehta
Director
DIN:00020429

Pawan Kumar Jain
Chief Financial Officer

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai

Date: 18 May 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Loss for the year before tax as per the statement of profit and loss	(12,87,52,306)	(22,91,02,393)
Adjustments for:		
Depreciation expenses	20,52,38,221	5,37,03,086
Finance costs	43,84,96,243	10,92,16,572
Gain on sale of investment in mutual funds	(77,136)	-
Interest income	(81,63,826)	(88,25,673)
Stamp duty on issue of shares	5,574	1,72,66,785
Operating profit before working capital changes	50,67,46,770	(5,77,41,623)
Working capital adjustments		
(Increase)/decrease in trade receivables	3,00,25,270	(3,99,14,272)
Increase in other financial assets, other current and non current assets	(7,31,30,204)	(5,15,96,466)
Increase in trade payables	86,63,354	1,77,42,861
Increase/(decrease) in other financial liabilities and provisions	(1,94,66,353)	10,17,22,083
Cash generated from/(used in) operating activities	45,08,38,837	(2,97,87,417)
Income taxes paid	(16,65,800)	(1,94,108)
Cash generated from/(used in) operating activities	44,91,73,037	(2,99,81,525)
Cash flow from investing activities		
Purchase of tangible assets including capital work in progress	(3,11,32,03,268)	(4,31,73,09,155)
Interest received	78,88,498	93,22,096
Fixed deposits with original maturity of more than three months (placed)/ redeemed	(6,51,13,766)	4,91,57,753
Inter corporate loan given	(23,80,00,000)	-
Repayment against inter corporate loan given	18,90,00,000	-
Purchase of units in mutual funds	(12,54,93,725)	-
Sale of units in mutual funds	12,55,70,861	-
Investment in subsidiaries and associate	(10,10,60,000)	(23,28,36,445)
Cash used in investing activities	(3,32,04,11,400)	(4,49,16,65,751)
Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium	43,34,75,000	1,64,75,55,000
Stamp duty on issue of shares	(5,574)	(1,72,66,785)
Proceeds from borrowings	2,85,59,89,827	3,13,25,16,640
Repayment of borrowings	(4,29,87,969)	(4,51,55,868)
Loan transaction expenses paid	(3,83,74,393)	(9,69,21,264)
Proceeds from inter corporate loan	68,81,68,496	1,12,89,97,235
Repayment of inter corporate loan	(73,81,68,496)	(1,02,89,97,235)
Payment of lease liability	(4,23,02,252)	-
Interest paid	(33,94,41,798)	(11,86,23,208)
Cash generated from financing activities	2,77,63,52,841	4,60,21,04,515
Net increase in cash and cash equivalents	(9,48,85,522)	8,04,57,239
Cash and cash equivalents at beginning of the year	13,64,52,362	5,59,95,123
Cash and cash equivalents at the end of the year (Note 10)	4,15,66,840	13,64,52,362

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

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	2,24,90,246	3,56,53,926
Fixed deposits with original maturity of less than three months	1,90,76,594	9,15,44,822
Other balances	-	92,53,614
Total	4,15,66,840	13,64,52,362

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.

Reconciliation of liabilities from financing activities for the year ended 31 March 2021

(in Rs.)

Particulars	As at 31 March 2020	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2021
Borrowings-non-current (including current maturity of long term debt)	3,80,91,15,915	2,81,30,01,858	(1,43,37,130)	6,60,77,80,643
Borrowings-current	10,00,00,000	(5,00,00,000)	-	5,00,00,000
Total	3,90,91,15,915	2,76,30,01,858	(1,43,37,130)	6,65,77,80,643

Reconciliation of liabilities from financing activities for the year ended 31 March 2020

(in Rs.)

Particulars	As at 31 March 2019	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2020
Borrowings-non-current (including current maturity of long term debt)	71,09,98,773	3,08,73,60,772	1,07,56,370	3,80,91,15,915
Borrowings-current	-	10,00,00,000	-	10,00,00,000
Total	71,09,98,773	3,18,73,60,772	1,07,56,370	3,90,91,15,915

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 SRBC & CO LLP

Chartered Accountants
AI Firm Registration No.: 324982E/E300003

Mr. Vijay Mehar
Firm No.: 36738

Place: Mumbai
Date: 18 May 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables Limited

Amitabh Verma
Executive Director
DIN:08990619

Pinky Atul Mehta
Director
DIN:00020429

Pawan Kumar Jain
Chief Financial Officer

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai
Date: 18 May 2021

Aditya Birla Renewables Limited

CIN: U40300MH2015PLC267263

Notes to Financial Statements for the year ended 31 March 2021

1. Corporate information

Aditya Birla Renewables Limited (the 'Company') is a public limited Company incorporated on 07 August 2015 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. The Company is a wholly owned subsidiary of Grasim Industries Limited.

The primary business of the Company is to generate and supply solar power.

The financial statements were authorized for issue in accordance with a resolution of the directors on 18 May 2021.

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 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.

The Company has a steady stream of revenue from its solar power plants and also has requisite financial support from banks to meet its obligation both short term and long term in nature. Grasim Industries Limited, the Parent Company has provided a letter of comfort to banks and has also committed to provide necessary financial support to the Company whenever required. Considering this, the financial statements have been prepared on a going concern basis.

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.

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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 with the exception of the following:

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

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, such as, derivatives 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.

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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. 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

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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 customers are billed on a monthly basis and are given an average credit period of 7 to 30 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) Income from sale of Verified Carbon Standard (VCS) Scheme

Income from VCS pertains to the sale of Verified Carbon Units generated from the Company's solar power plants. Since the quantum of accruals on such units sold cannot be ascertained with reasonable certainty, this income is accounted on acceptance basis.

(iii) 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.

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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.

Minimum alternate tax

The Company has decided to opt for concessional tax rates as per the Taxation Laws Amendment Act (2019) during the financial year 2019-20, and accordingly MAT provisions are no longer applicable to the Company.

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. Freehold land is carried at historical cost and is not subject to depreciation, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and

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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
- Office equipment: 3-5 years
- Vehicles: 4-5 years
- Furniture and fixtures: 10 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 reporting period 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will

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continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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 through-out the period of use; and
- the Company has the right to direct the use of the asset.

The Company has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116 - Leases, effective from annual reporting period beginning 01 April 2019. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

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.

(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.

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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. Employee Benefits

Short-Term Employee Benefits: Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plans: Contribution payable to the recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognised as an expense in the Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.

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The provident fund contribution as specified under the law is paid to the Regional Provident Fund Commissioner.

Defined Benefit Plans: The obligation in respect of defined benefit plans, which covers Gratuity and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each reporting period using project unit credit method.

The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the period, and any shortfall in the Fund size maintained by the Trust set-up by the Company is additionally provided for.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur.

Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to profit or loss in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee Benefits Expense'.

The present value of the Defined Benefit Plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Other Long-Term Benefits: Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each reporting period. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

k. 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.

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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) Equity Investments

Investments in subsidiaries and associate are out of scope of Ind AS 109 Financial Instruments and hence, the Company has accounted for its investment in subsidiaries and associate at cost.

(iii) 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.

(iv) 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.

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Financial liabilities and equity instruments

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.

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.

The Company has changed the method of calculation of amortization of loan transaction expenses from cash flow basis to straight-line amortization over the tenure of the loan.

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

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

I. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts and swaps to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent

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cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

Cash flow hedges

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

m. 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.

n. 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.

Aditya Birla Renewables Limited

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Notes to Financial Statements for the year ended 31 March 2021

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.

o. 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, as defined above.

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.

p. 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 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.

3A. Property, plant and equipment

A. Owned Assets

Sr. No.	Particulars	Location	Gross block			Depreciation			Net block	
			As at 1 April 2020	Additions	Disposal/Adjustment	As at 31 March 2021	Charge for the year	Disposal/Adjustment	As at 31 March 2021	As at 31 March 2021
1	Plant and equipment	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC) Bargharh (35 MWp DC) Bolangir (35 MWp DC) Rojasara (50 MWp DC)	82,67,07,433 1,44,77,54,495 1,20,74,25,393 1,00,21,30,067 - - -	19,47,000 86,98,552 1,05,95,60,890 1,11,52,55,567 1,35,99,28,296	21,76,000 21,11,209 - - -	82,45,31,433 1,44,75,90,286 1,20,74,25,393 1,01,08,28,619 1,05,95,60,890 1,11,52,55,567 1,35,99,28,296	2,75,56,914 4,82,31,571 4,03,43,541 3,35,30,846 1,82,39,120 99,68,382 1,71,50,273	1,93,157 59,191 - - - - -	82,63,33,431 1,45,58,157 1,45,58,157 1,45,58,157 1,45,58,157 1,45,58,157 1,45,58,157	74,18,98,002 1,38,30,52,183 1,16,25,82,180 97,55,76,660 1,04,13,21,770 1,10,52,87,185 1,34,27,78,023
2	Building	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC) Bargharh (35 MWp DC) Bolangir (35 MWp DC) Rojasara (50 MWp DC)	87,14,848 2,78,92,226 2,96,45,987 3,77,02,822 8,58,240 - -	6,61,036 9,30,506 8,58,240 2,33,60,192 2,24,03,027 1,24,20,069	- - - - - -	93,75,884 2,78,92,226 3,05,76,493 3,85,61,062 2,33,60,192 2,24,03,027 1,24,20,069	3,08,847 9,29,741 9,97,040 12,66,322 3,82,215 1,99,515 1,59,930	- - - - - - -	8,95,408 12,45,598 11,08,043 13,38,629 3,82,215 1,99,515 1,59,930	84,80,476 2,66,46,628 2,94,68,450 3,72,22,433 2,29,77,977 2,22,08,512 1,22,60,139
3	Freehold land	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC) Bargharh (35 MWp DC) Talsana (50 MWp DC)	7,51,97,220 14,97,61,138 9,71,85,496 1,25,51,598 3,43,27,772 3,21,70,151	- - 37,32,628 6,96,000 2,09,83,755 1,34,798	- - - - 1,02,12,505	7,51,97,220 14,97,61,138 10,09,18,124 1,32,47,598 5,53,11,527 2,20,92,444	- - - - - -	- - - - - -	7,51,97,220 14,97,61,138 10,09,18,124 1,32,47,598 5,53,11,527 2,20,92,444	74,18,98,002 1,38,30,52,183 1,16,25,82,180 97,55,76,660 1,04,13,21,770 1,10,52,87,185 1,34,27,78,023
4	Office equipment	Mumbai	27,59,667	14,05,371	-	41,65,038	11,55,706	-	17,22,852	24,42,186
5	Vehicles	Mumbai	84,66,348	-	-	84,66,348	21,16,192	-	40,64,625	44,01,723
6	Furniture and fixture	Mumbai	1,61,509	-	-	1,61,509	16,151	-	29,992	1,31,517
Total			5,00,05,54,169	3,63,29,75,927	1,44,99,714	8,61,90,30,383	20,25,52,306	2,52,348	28,39,71,288	8,33,50,59,095

As at 31 March 2020

Sr. No.	Particulars	Location	Gross block			Depreciation			Net block	
			As at 1 April 2019	Additions	Disposals	As at 31 March 2020	Charge for the year	Disposals	As at 31 March 2020	As at 31 March 2020
1	Plant and equipment	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC)	82,42,06,749	25,00,684 1,44,77,54,495 1,20,74,25,393 1,00,21,30,067	- - - -	82,67,07,433 1,44,77,54,495 1,20,74,25,393 1,00,21,30,067	2,75,59,813 1,63,65,723 44,99,672 19,21,113	- - - -	5,52,69,674 1,63,65,723 44,99,672 19,21,113	77,14,37,759 1,43,13,88,772 1,20,29,25,721 1,00,02,08,954
2	Building	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC)	87,14,848	- 2,78,92,226 2,96,45,987 3,77,02,822	- - - -	87,14,848 2,78,92,226 2,96,45,987 3,77,02,822	2,91,291 3,15,857 1,11,003 72,307	- - - -	5,86,561 3,15,857 1,11,003 72,307	81,28,287 2,75,76,369 2,95,34,984 3,76,30,515
3	Freehold land	Bijapur (20 MWp DC) Jaloya (52.5 MWp DC) Pipardi (40.9 MWp DC) Boudh (35 MWp DC) Bargharh (35 MWp DC) Talsana (50 MWp DC)	7,51,97,220 11,94,31,472	- 3,03,29,666 9,71,85,496 1,25,51,598 3,43,27,772 3,21,70,151	- - - - -	7,51,97,220 14,97,61,138 9,71,85,496 1,25,51,598 3,43,27,772 3,21,70,151	- - - - -	- - - -	- - - -	7,51,97,220 14,97,61,138 9,71,85,496 1,25,51,598 3,43,27,772 3,21,70,151
4	Office equipment	Mumbai	-	27,59,667	-	27,59,667	5,67,146	-	5,67,146	21,92,521
5	Vehicles	Mumbai	-	84,66,348	-	84,66,348	19,48,433	-	19,48,433	65,17,915
6	Furniture and fixture	Mumbai	-	1,61,509	-	1,61,509	13,841	-	13,841	1,47,668
Total			1,02,75,50,289	3,97,30,03,881	-	5,00,05,54,170	5,36,66,199	-	8,16,71,330	4,91,88,82,840

3B. Right of Use Assets

Description	(in Rs.) Amount
Cost	
Balance as on 01 April 2019 due to adoption of Ind AS 116	9,67,680
Additions during the year	12,13,573
Balance as at 31 March 2020	21,81,253
Balance as on 01 April 2020	21,81,253
Additions during the year	15,41,85,535
Balance as at 31 March 2021	15,63,66,788
Accumulated depreciation and impairment	
Balance as on 1 April 2019 due to adoption of Ind AS 116	-
Depreciation for the year	36,887
Balance as at 31 March 2020	36,887
Balance as on 01 April 2020	36,887
Depreciation for the year	29,38,263
Balance as at 31 March 2021	29,75,150
Net carrying amount	15,33,91,638
As at 31 March 2020	21,44,366
As at 31 March 2021	15,33,91,638

3C. Capital work in progress

Capital work in progress includes project development expenditure of Rs.43,27,655 (31 March 2020 : Rs. 82,06,06,850).

3D. Capitalised borrowing costs

The amount of borrowing costs capitalised in property, plant and equipment for the year amounts to Rs. 5,90,85,497 (31 March 2020 : Rs. 3,11,02,389), of which Rs. Nil (31 March 2020 : Rs. 1,11,94,976) has been capitalised under capital work in progress and Rs. 7,09,93,569 (31 March 2020 : Rs. 1,99,07,413) has been capitalised under property, plant and equipment.

3E. Property, plant and equipment pledged as security

Property, plant and equipment has been hypothecated as security for borrowings by the Company (note 16).

4. Deferred tax assets/(liabilities) (net)

Particulars	As at 31 March 2020	Charge for the year		As at 31 March 2021
		Profit and loss	Other comprehensive income	
Deferred tax assets				
Preliminary expenses	5,034	(5,034)	-	-
Business losses and unabsorbed depreciation (note a)	32,55,54,635	56,43,45,946	-	88,99,00,581
Right to use asset and liability		8,14,339	-	8,14,339
Employee benefit expenses	1,48,14,018	(97,98,427)	(13,15,185)	37,00,406
	34,03,73,687	55,53,56,824	(13,15,185)	89,44,15,326
Deferred tax liabilities				
Accelerated depreciation for tax purposes	(33,32,91,697)	(48,12,83,780)	-	(81,45,75,477)
	(33,32,91,697)	(48,12,83,780)	-	(81,45,75,477)
Cashflow hedge reserve	58,86,095	-	81,23,742	1,40,09,837
Deferred tax assets/(liabilities) (net)	1,29,68,085	7,40,73,044	68,08,557	9,38,49,686

Particulars	As at 31 March 2019	Charge for the year		As at 31 March 2020
		Profit and loss	Other comprehensive income	
Deferred tax assets				
Preliminary expenses	11,128	(6,094)	-	5,034
Share issue expenses	87,533	(87,533)	-	-
Business losses and unabsorbed depreciation (note a)	14,03,98,025	18,51,56,610	-	32,55,54,635
Employee benefit expenses	-	1,26,67,525	21,46,493	1,48,14,018
	14,04,96,686	19,77,30,508	21,46,493	34,03,73,687
Deferred tax liabilities				
Borrowings (note b)	(4,17,641)	4,17,641	-	-
Accelerated depreciation for tax purposes	(14,80,04,851)	(18,52,86,846)	-	(33,32,91,697)
	(14,84,22,492)	(18,48,69,205)	-	(33,32,91,697)
Cash flow hedge reserve	-	-	58,86,095	58,86,095
MAT credit entitlement	73,28,175	(73,28,175)	-	-
Deferred tax assets/(liabilities) (net)	5,97,631	55,33,128	81,51,588	1,29,68,085

Notes:

- a) Recognized on business losses which will be available to offset future taxable income of the Company.
b) Reversal of deferred tax liability earlier created on borrowings due to difference in actual interest and effective interest.

Reconciliation of effective tax rate

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax as per the Statement of Profit and Loss	(12,87,52,306)	(22,91,02,393)
Applicable tax rate	25.17%	25.17%
Computed tax expense	(3,24,04,380)	(5,76,65,072)
Income tax effect of:		
Non deductible expenses		
Expenses not allowed for tax purposes	2,51,645	43,44,586
Impact of additional depreciation in opening WDV of fixed assets as per Income Tax notification	(4,14,82,729)	-
Amortisation of loan transaction expenses	-	(4,17,642)
Impact of adoption of new tax regime and rate change impact	2,44,430	4,80,90,124
Others	(4,98,322)	1,14,876
Total	(4,14,84,976)	5,21,31,944
Net tax expense as per Statement of Profit and Loss	(7,38,89,356)	(55,33,128)
Effective tax rate	57.39%	2.42%

5. Investments

Particulars	As at 31 March 2021	As at 31 March 2020
Investment in subsidiaries (unquoted, fully paid)		
Equity instruments at cost		
4,63,31,577 shares (31 March 2020 : 4,63,31,577) of Rs. 10 each in Aditya Birla Renewables SPV 1 Limited	47,25,82,085	47,25,82,085
1,96,24,800 shares (31 March 2020 : 1,96,24,800) of Rs. 10 each in Aditya Birla Renewables Subsidiary Limited	19,64,11,540	19,64,11,540
36,26,000 shares (31 March 2020 : 36,26,000) of Rs. 10 each in Aditya Birla Renewables Utkal Limited	3,62,60,000	3,62,60,000
97,31,000 shares (31 March 2020: Nil) in Aditya Birla Renewables Energy Limited	9,73,10,000	-
5,000 shares (31 March 2020: Nil) in ABRcL SPV2 Limited	50,000	-
3,70,000 shares (31 March 2020: Nil) in Aditya Birla Renewables Solar Limited	37,00,000	-
Investment in associate (unquoted, fully paid)		
Equity instruments at cost		
3,06,29,900 shares (31 March 2020 : 3,06,29,900 shares of Rs. 10 each in Waacox Energy Private Limited)	30,62,99,125	30,62,99,125
Total	1,11,26,12,750	1,01,15,52,750
Aggregate value of unquoted investments	1,11,26,12,750	1,01,15,52,750

6. Other financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Derivative assets	-	2,98,82,784
Secured deposit (unsecured, considered good)	43,12,678	35,34,400
Total	43,12,678	3,34,17,184

7. Other non current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	63,41,262	7,43,46,866
Prepayments	67,878	1,35,754
Total	64,09,140	7,44,82,620

8. Non current tax assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax and tax deducted at source (net of provision Rs.1 83 688 31 March 2020 : Rs Nil)	24,55,701	9,73,590
Total	24,55,701	9,73,590

9. Trade receivables

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Receivables from related party (note 30)	-	1,23,09,871
Others	98,89,002	2,76,04,401
Total	98,89,002	3,99,14,272

Break up for security details

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good	98,89,002	3,99,14,272
Trade receivables which have significant increase in credit risk [note 34(C)(a)]	-	-
Trade receivables - credit impaired [note 34(C)(a)]	-	-
Total	98,89,002	3,99,14,272

Trade receivables are generally on terms as set out in the Power Purchase Agreements. 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.

10. Cash and cash equivalents

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Balances with banks		
On current accounts	2,24,90,246	3,56,53,926
Deposits with original maturity of less than three months	1,90,76,594	9,15,44,822
Other bank balances*	-	92,53,614
Total	4,15,66,840	13,64,52,362

*Demand draft not yet encashed

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.

11. Bank balances other than cash and cash equivalents

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity period of more than three months but less than twelve months	7,80,00,000	1,28,86,234
Total	7,80,00,000	1,28,86,234

12. Other financial assets

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Accrued interest on deposits	2,94,131	18,804
Other receivables including receivables from related parties (note 30)		
Reimbursement of expenses	31,81,332	44,11,860
Loans and advances	4,90,00,000	-
Unbilled revenue (including related party (note 30))	11,26,09,362	4,79,47,594
Deposits - unsecured, considered good	37,500	37,500
Total	16,51,22,325	5,24,15,758

13. Other current assets

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Balances with government authorities	36,42,107	35,55,354
Prepayments	2,54,68,096	5,58,82,099
Other advances	30,80,664	5,02,936
Total	3,21,90,867	5,99,40,389

14. Equity share capital

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
34,00,00,000 (31 March 2020: 34,00,00,000) equity shares of Rs. 10 each	3,40,00,00,000	3,40,00,00,000
	3,40,00,00,000	3,40,00,00,000
Issued equity capital		
32,00,25,356 (31 March 2020: 27,66,77,856) equity shares of Rs. 10 each issued, subscribed and fully paid	3,20,02,53,560	2,76,67,78,560
	3,20,02,53,560	2,76,67,78,560

(a) Reconciliation of issued equity share capital

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Number of shares outstanding at the beginning of the year	27,66,77,856	11,88,09,600
Issue of shares during the year	4,33,47,500	15,78,68,256
Number of shares outstanding at the end of the year	32,00,25,356	27,66,77,856

(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 of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(c) Details of shareholding by the Holding Company:

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Grasim Industries Limited and its nominees	32,00,25,356	100%	27,66,77,856	100%
Total	32,00,25,356	100%	27,66,77,856	100%

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

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Grasim Industries Limited and its nominees	32,00,25,356	100%	27,66,77,856	100%
Total	32,00,25,356	100%	27,66,77,856	100%

15. Other equity

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Surplus in the statement of profit and loss		
Opening balance	(21,46,20,568)	89,48,697
Profit/(loss) for the period	(5,48,62,950)	(22,35,69,265)
Closing balance	(26,94,83,518)	(21,46,20,568)
Securities premium		
Opening balance	6,88,72,440	-
Additions during the period	-	6,88,72,440
Closing balance	6,88,72,440	6,88,72,440
Other comprehensive income		
Opening balance	(2,38,80,753)	-
Additions during the year	(2,02,43,672)	(2,38,80,753)
Closing balance	(4,41,24,425)	(2,38,80,753)
Total	24,47,35,503	16,96,28,881

Nature and purpose of reserve

Securities premium is credited when shares are issued at premium. It can be used for the purposes mentioned in section 52 of the Companies Act, 2013.

16. Borrowings		in Rs.	
Particulars	As at 31 March 2021	As at 31 March 2020	
Secured			
Term loan	4,08,60,53,303	2,65,70,31,588	
Suppliers Credit	1,39,74,54,581	96,08,64,120	
Letter of credit discounted	1,12,42,72,759	19,12,20,207	
	6,60,77,80,643	3,80,91,15,915	
Less: Current maturity of long term debt shown under other financial liabilities (note 19)	8,96,25,762	3,79,74,676	
Total non current borrowings	6,51,81,54,881	3,77,20,41,239	
Unsecured			
Current			
Inter corporate loan	5,00,00,000	10,00,00,000	
Total current borrowings	5,00,00,000	10,00,00,000	

Summary of borrowing arrangements

As at 31st March 2021

Particulars	Gross amount Rs.	Carrying value Rs.	Effective interest rate (%)	Repayment terms
Secured				
Rupee term loan ICICI Bank Limited	63,83,03,717	63,61,94,826	7.45% - 8.35%	The loan is repayable in 76 equal quarterly instalments beginning from 31 March 2019. The Company has opted for moratorium for repayment of principal and interest falling due to the bank from March 2020 to May 2020 granted by Reserve Bank of India as a relief measure for COVID-19.
Federal Bank	3,47,19,52,553	3,44,98,58,477	8.15% - 8.95%	The loan is repayable in 36 structured quarterly instalments after the end of moratorium period as per the loan agreement which shall not exceed 27 December 2029.
Suppliers credit Standard Chartered Bank	1,41,21,07,789	1,39,74,54,581	6.73% - 7.60%	The facility is repayable between 14 November 2022 - 05 December 2022 as the maturity date of the credit instrument.
Letter of credit Standard Chartered Bank	1,15,11,43,841	1,12,42,72,759	5.00% - 7.47%	The facility is repayable between 28 December 2022 - 08 January 2023 as the maturity date of the credit instrument.
Unsecured				
Inter corporate loan Grasim Industries Limited	5,00,00,000	5,00,00,000	9.15%	08 April 2021

Supplier's credit has been fully hedged for foreign exchange and interest rate fluctuation. The above figures are as per Ind AS 109 (including mark to market and amortisation)

As at 31st March 2020

Particulars	Gross amount Rs.	Carrying value Rs.	Effective interest rate (%)	Repayment terms
Secured				
Rupee term loan ICICI Bank Limited	67,20,76,789	66,96,37,015	8.35% - 8.95%	The loan is repayable in 76 equal quarterly instalments beginning from 31 March 2019. The Company has opted for moratorium for repayment of principal and interest falling due to the bank from March 2020 to May 2020 granted by Reserve Bank of India as a relief measure for COVID-19.
Federal Bank	2,00,00,00,000	1,98,73,94,573	8.95% - 9.05%	The loan is repayable in 36 structured quarterly instalments after the end of moratorium period as per the loan agreement which shall not exceed 27 December 2029.
Suppliers credit Standard Chartered Bank	93,53,15,114	96,08,64,120	7.56% - 7.50%	The facility is repayable between 14 November 2022 - 05 December 2022 as the maturity date of the credit instrument.
Letter of credit Standard Chartered Bank	19,72,01,525	19,12,20,207	7.40%	The facility is repayable between 28 December 2022 - 08 January 2023 as the maturity date of the credit instrument.
Unsecured				
Inter corporate loan Grasim Industries Limited	5,00,00,000	5,00,00,000	9.15%	13 April 2020
Waaco Energy Private Limited	5,00,00,000	5,00,00,000	9.15%	19 April 2020

Supplier's credit has been fully hedged for foreign exchange and interest rate fluctuation. The above figures are as per Ind AS 109 (including mark to market and amortisation)

Security

The above borrowing arrangements are secured as follows:

- 1) First charge on the assets of the projects, both present and future, located at Bijapur, Jalgaon, Pipardi, Boodh, Barghar, Rajasar and Bolangir.
- 2) Exclusive charge on respective project's current assets, all cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, unutilised capital, present and future.
- 3) Exclusive charge on respective collection account, debt service reserve account and other reserves and any other bank accounts of the borrower except dividend distribution account.

Bank Guarantees

A) HDFC Bank

The lender has sanctioned (i) an overdraft facility of Rs. 19,00,00,000 and (ii) a BG facility of Rs. 75,00,00,000. Of the aforementioned BG facility, the Company has obtained BG of Rs.75,000, Rs. 25,00,00,000, Rs. 9,63,00,000, Rs. 1,05,00,000, Rs.11,32,80,000 expiring on 28 January 2022, 11 May 2021, 24 October 2021, 27 October 2021 and 31 January 2023 respectively (31 March 2020 :Rs.75,000 and Rs. 25,00,00,000 expiring on 28 January 2022 and 31 January 2021 respectively).

B) YES Bank

The lender has sanctioned (i) an overdraft facility of Rs. 2,00,00,000 and (ii) BG of Rs. 18,20,00,000. Of the aforementioned BG facility, the Company has obtained a BG of Rs. 15,00,00,000 expiring on 31 October 2021. Further, this BG facility has also been utilised for providing the following bank guarantees to the subsidiary and associate:

Entity	Expiry	As at 31 March 2021	As at 31 March 2020
Subsidiary Aditya Birla Renewables SPV 1 Limited	15 April 2020		1,00,00,000
Associate Waaco Energy Private Limited	30 June 2021	3,20,00,000	3,20,00,000
		3,20,00,000	3,20,00,000
Total		3,20,00,000	4,20,00,000

Loan covenants

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

17. Provisions

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity (note 36)	1,11,34,469	1,67,53,173
Leave encashment (note 36)	69,67,304	89,29,540
Total	1,81,01,773	2,56,82,713

18. Trade payables

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro and small enterprises	13,56,213	33,052
Total outstanding dues of creditors other than micro and small enterprises (including related party dues {note 30})	2,62,08,403	1,88,68,210
Total	2,75,64,616	1,89,01,262

Terms and conditions of trade payables:

Trade payables are non interest bearing and credit period varies as per the terms of the contract/work order/purchase order executed with each vendor.

19. Other financial liabilities

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Liability for capital expenditure (including related party dues {note 30})	11,42,62,674	52,13,74,840
Interest accrued but not due on borrowings	6,82,35,856	1,34,58,474
Derivative liability	3,94,78,449	-
Provision for expenses	4,66,64,912	5,01,74,371
Current maturity of long term debt (note 16)	8,96,25,762	3,70,74,676
Other payables	51,57,211	60,39,612
Total	36,34,24,864	62,81,21,973

20. Other current liabilities

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liabilities		
Tax deducted at source	99,53,433	1,30,73,958
Goods and service tax payable	5,39,747	7,91,025
Profession tax payable	9,170	15,400
Provident Fund payable	7,72,274	10,11,779
Total	1,12,74,624	1,48,92,162

21. Current provisions

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity (note 36)	63,09,512	1,02,50,810
Leave encashment (note 36)	44,36,913	95,97,462
Total	1,07,46,425	1,98,48,272

22. Revenue from operations

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Solar power generation		
20 MWp DC at Bijapur, Karnataka	13,57,03,888	13,58,10,290
52.5 MWp DC at Jaloya, Gujarat	18,74,01,763	5,07,52,040
42.9 MWp DC at Pipardi, Gujarat	14,16,74,121	1,33,28,359
35 MWp DC at Boudh, Odisha	15,00,66,094	90,60,733
35 MWp DC at Bargarh, Odisha	6,71,87,547	-
50 MWp DC at Rojasar, Gujarat	7,22,84,027	-
35 MWp DC at Bolangir, Odisha	4,01,62,388	-
Revenue from sale of solar products	-	9,46,87,116
Other operating income		
Income from Verified Carbon Standard (VCS) Scheme	14,35,969	3,44,549
Scrap sale	6,69,296	-
Total	79,65,85,093	30,39,83,087

The Company has entered into PPAs with the customers for supply of solar power.

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

Contract balances	As at 31 March 2021	As at 31 March 2020
Contract assets	-	-
Contract liabilities	-	-
Receivables		
Trade receivables (including related party dues (note 30))	98,89,002	3,99,14,272
Unbilled revenue (including related party dues (note 30))	11,26,09,362	4,79,47,594
Total	12,24,98,364	8,78,61,866

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 recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company recognises 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. Hence, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

23. Other income

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income	81,63,826	88,33,845
Foreign exchange gain	75,55,350	25,76,219
Gain on sale on mutual fund	77,136	-
Miscellaneous income	-	5,315
Total	1,57,96,312	1,14,15,379

24. Direct expenses

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Operation and maintenance expenses	5,04,90,467	76,03,127
Purchase cost	12,61,934	7,28,10,942
Total	5,17,52,401	8,04,14,069

25. Employee benefit expenses

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	18,44,02,741	20,70,50,799
Contribution to provident and other funds	1,25,52,800	1,34,41,764
Staff welfare expenses	27,01,604	38,82,630
Total	19,96,57,145	22,43,75,193

26. Finance costs

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest cost on borrowings	43,08,08,303	10,44,90,672
Interest on lease liability	59,30,318	-
Other borrowing cost	49,14,093	56,67,704
Total	44,16,52,714	11,01,58,376

27. Other expenses

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Business development expenses	13,82,639	23,47,959
Rates and taxes	1,99,991	4,45,438
Travelling and conveyance expenses	60,74,720	2,18,75,639
Insurance expenses	96,61,707	13,17,901
Legal and professional fees	59,68,457	56,33,434
Payment to statutory auditors	16,79,914	26,86,783
Office rent	63,36,967	1,98,98,988
Stamp duty on issue of shares	5,574	1,72,66,785
DSM charges	46,25,322	-
Repairs and maintenance	21,88,099	-
Miscellaneous expenses	47,09,840	43,77,188
Total	4,28,11,230	7,29,19,184

	(in Rs.)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment to statutory auditors		
As auditor		
Statutory audit fees	15,84,688	24,34,930
Tax audit fees	95,226	1,54,226
Out of pocket expenses	-	97,627
Total	16,79,914	26,86,783

28. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) 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	As at 31 March 2021	As at 31 March 2020
Loss attributable to equity holders (in Rs.)	(5,48,62,950)	(22,35,69,265)
Weighted average number of equity shares for basic and diluted EPS	28,21,71,849	18,59,42,705
Basic and diluted earnings per share (in Rs.)	(0.19)	(1.20)

29. 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:

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 risk management objectives and policies (note 34)
- Capital management (note 34)

a) Judgements

In the process of applying the Company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognised 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 Agreements (PPAs) entered into with its customers. The Company has concluded that the arrangement is not in the nature of lease as the customers do not have the right to direct the use of the specified asset and entire control of the asset is with the Company.

b) 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.

i) Taxes

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

ii) Useful lives of property, plant and equipment

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.

iii) Recognition and measurement of provisions and contingencies

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

iv) Impairment of investments in subsidiaries and associates

The Company reviews its carrying value of investments in subsidiaries and associates annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investments in subsidiaries and associates is impaired requires an estimate in the value in use of investments. The management carries out impairment assessment for each investment by comparing the carrying value of each investment with the net worth of each company based on audited financials and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

Aditya Birla Renewables Limited
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Notes to Financial Statements for the year ended 31 March 2021

Note 30 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during year ended 31 March 2021

A) Holding Company

Grasim Industries Limited

B) Subsidiary Companies

Aditya Birla Renewables SPV 1 Limited (74%)
Aditya Birla Renewables Subsidiary Limited (74%)
Aditya Birla Renewables Utkal Limited (74% w.e.f. 27 May 2019)
Aditya Birla Renewables Energy Limited (74% w.e.f. 13 April 2020)
Aditya Birla Renewables Solar Limited (74% w.e.f. 10 April 2020)
ABReL SPV 2 Limited (100% w.e.f. 28 December 2020)

C) Associate Company

Waacox Energy Private Limited (49%)

D) Fellow Subsidiary

Aditya Birla Solar Limited

E) Key managerial personnel

Ravinder Khanna, Managing Director (cessation w.e.f. 14 March 2021)
Devajyoti Bhattacharya, Director
Pinky Atul Mehta, Director
Amitabh Verma, Executive Director (w.e.f. 20 March 2021)
Pawan Kumar Jain, Chief Financial Officer

F) Other related party in which directors of holding company are interested

Aditya Birla Management Corporation Private Limited

Details of transactions with related parties:

(in Rs)

Sr. No.	Particulars	For the year ended	
		31 March 2021	31 March 2020
1	Allotment of equity shares including securities premium		
	Grasim Industries Limited	43,34,75,000	1,64,75,55,000
		43,34,75,000	1,64,75,55,000
2	Inter corporate loan taken		
	Aditya Birla Renewables SPV 1 Limited	2,00,00,000	7,50,00,000
	Aditya Birla Solar Limited	-	1,00,00,000
	Grasim Industries Limited	-	65,00,00,000
	Waacox Energy Private Limited	40,26,68,496	25,00,00,000
3	Interest accrued on inter corporate loans capitalised in property, plant and equipment		
	Aditya Birla Renewables SPV 1 Limited	1,02,466	3,76,027
	Aditya Birla Solar Limited	-	10,137
	Grasim Industries Limited	21,80,959	57,23,836
	Waacox Energy Private Limited	21,80,959	17,37,480
4	Interest accrued on inter corporate loans charged to statement of profit and loss		
	Aditya Birla Renewables SPV 1 Limited	-	3,13,356
	Aditya Birla Solar Limited	-	76,027
	Grasim Industries Limited	23,94,041	45,20,136
	Waacox Energy Private Limited	1,38,94,695	23,89,918
5	Inter Corporate Loan repaid		
(i)	Grasim Industries Limited		
	Principal	-	60,00,00,000
	Interest	-	92,78,835
		-	60,92,78,835
(ii)	Aditya Birla Solar Limited		
	Principal	-	1,00,00,000
	Interest	-	86,164
		-	1,00,86,164
(iii)	Aditya Birla Renewables SPV 1 Limited		
	Principal	2,00,00,000	7,50,00,000
	Interest	1,02,466	6,89,382
		2,01,02,466	7,56,89,382
(iv)	Waacox Energy Private Limited		
	Principal	45,26,68,496	20,00,00,000
	Interest	1,69,78,110	32,24,932
		46,96,46,606	20,32,24,932
6	Project management fees capitalised under property, plant and equipment		
	Grasim Industries Limited	10,01,90,736	11,50,19,890
7	Investment in equity shares		
	Subsidiaries		
	Aditya Birla Renewables SPV 1 Limited	-	16,37,04,905
	Aditya Birla Renewables Subsidiary Limited	-	3,28,71,540
	Aditya Birla Renewables Utkal Limited	-	3,62,60,000
	Aditya Birla Renewables Energy Limited	9,73,10,000	-
	ABReL SPV 2 Limited	50,000	-
	Aditya Birla Renewables Solar Limited	37,00,000	-
	Associate		
	Waacox Energy Private Limited	-	-

Aditya Birla Renewables Limited
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Notes to Financial Statements for the year ended 31 March 2021

8	Revenue from operations		
	Grasim Industries Limited	13,57,03,888	13,58,10,290
9	Compensation of Key Management Personnel		
	Short- term employee benefits	6,32,03,627	6,22,04,386
	Post - retirement benefits	84,86,646	7,57,255
10	Inter corporate loan given		
	Aditya Birla Renewables Energy Limited	2,00,00,000	-
	Aditya Birla Renewables Solar Limited	8,40,00,000	-
	ABReL SPV 2 Limited	50,00,000	-
	Waacox Energy Private Limited	4,20,00,000	-
11	Interest income		
	Aditya Birla Renewables Energy Limited	9,041	-
	Waacox Energy Private Limited	11,06,244	-
	ABReL SPV 2 Limited	9,041	-
	Aditya Birla Renewables Solar Limited	91,315	-
12	Repayment against Inter Corporate Loan given		
	Aditya Birla Renewables Energy Limited		
	Principal	2,00,00,000	-
	Interest	9,041	-
	Waacox Energy Private Limited		
	Principal	4,20,00,000	-
	Interest	11,06,244	-
	Aditya Birla Renewables Solar Limited	5,20,00,000	-
	Interest	76,849	-
13	Reimbursement of deputation charges (receivable)		
	Aditya Birla Solar Limited	17,40,013	41,46,103
	Waacox Energy Private Limited	11,06,365	4,60,941
	Aditya Birla Renewables SPV 1 Limited	4,24,935	2,13,867
	Aditya Birla Renewables Utkal Limited	10,10,856	-
	Aditya Birla Renewables Subsidiary Limited	16,73,720	-
	Grasim Industries Limited	16,47,471	-
14	Super annuation fund		
	Grasim Industries Limited	10,51,562	8,48,460
15	Supervision and monitoring of O&M services		
	Grasim Industries Limited	10,87,576	2,88,400
18	Sale of capital equipment		
	Aditya Birla Solar Limited	-	2,60,426
19	Purchase of capital equipment		
	Aditya Birla Renewables Utkal Limited	-	4,06,805
16	Reimbursement of rent expenses		
	Aditya Management Corporation Private Limited	62,61,968	1,98,36,488
17	Reimbursement of insurance charges		
	Grasim Industries Limited	2,32,594	-
18	Reimbursement of expenses (receivable)		
	Aditya Birla Renewables Energy Limited	15,13,658	-
	Aditya Birla Renewables Solar Limited	6,27,990	-
	ABReL SPV 2 Limited	5,85,824	-
	Aditya Birla Solar Limited	3,55,408	-
	Waacox Energy Private Limited	10,803	-
	Aditya Birla Renewables SPV 1 Limited	80,555	-
19	Expenses incurred for implementation of project		
	Aditya Birla Renewables Solar Limited	-	-
20	Transfer of employee related liabilities		
	Aditya Birla Solar Limited	10,13,754	-
	Aditya Birla Renewables SPV 1 Limited	10,10,537	-
	Aditya Management Corporation Private Limited	-	1,21,67,287

Details of closing balances of related parties

(in Rs.)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
	Closing balance		
1	Share capital including securities premium Grasim Industries Limited	3,26,91,26,000	2,83,56,51,000
2	Supervision and monitoring of operation and management services payable Grasim Industries Limited	1,25,816	87,986
3	Reimbursement of deputation charges (receivable) Aditya Birla Solar Limited Waacox Energy Private Limited Aditya Birla Renewables SPV 1 Limited Aditya Birla Renewables Utkal Limited Aditya Birla Renewables Subsidiary Limited Grasim Industries Limited	3,55,408 1,18,958 - - 2,56,856 4,70,705	38,63,173 3,34,820 2,13,867 - - -
4	Investment in equity shares Subsidiaries Aditya Birla Renewables SPV 1 Limited Aditya Birla Renewables Subsidiary Limited Aditya Birla Renewables Utkal Limited Aditya Birla Renewables Energy Limited Aditya Birla Renewables Solar Limited ABReL SPV 2 Limited Associate Waacox Energy Private Limited	47,25,82,085 19,64,11,540 3,62,60,000 9,73,10,000 37,00,000 50,000 30,62,99,125	47,25,82,085 19,64,11,540 3,62,60,000 - - - 30,62,99,125
5	Project management fees payable Grasim Industries Limited	-	10,52,72,441
6	Trade receivables Grasim Industries Limited	-	1,23,09,871
7	Unbilled Revenue Grasim Industries Limited	1,34,41,892	1,36,36,967
8	Inter Corporate Loans taken including interest (net of TDS) Grasim Industries Limited Waacox Energy Private Limited	5,50,81,383 94,624	5,08,68,623 5,08,12,219
9	Inter Corporate Loans given including interest Aditya Birla Renewables Solar Limited ABReL SPV 2 Limited	3,20,14,466 50,09,041	- -
10	Purchase of capital equipment Aditya Birla Renewables Utkal Limited	-	4,06,805
11	Reimbursement of expenses (receivable) Aditya Birla Renewables Energy Limited Aditya Birla Renewables Solar Limited ABReL SPV 2 Limited Aditya Birla Solar Limited Waacox Energy Private Limited Aditya Birla Renewables SPV 1 Limited	2,73,727 2,32,495 5,85,824 - 10,803 80,505	- - - - - -
12	Provision for rental expenses Aditya Management Corporation Private Limited	13,21,614	49,59,122
13	Transfer of employee related liabilities (receivable) Aditya Birla Solar Limited Aditya Birla Renewables SPV 1 Limited	23,890 24,299	- -

Note :Related party relationships as per Ind AS 24 have been identified by the management had relied upon by the auditors. All the transactions are carried at arm's 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 year-end are unsecured and settlement occurs in cash. For the year ended 31 March 2021 and 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.

31. Segment information

For management purpose, the Company is engaged into one reportable business segment i.e. 'generation, transmission, distribution of power and and other project activities'. 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.

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

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount due to micro enterprises and small enterprises	30,70,635	2,05,14,103
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 period) 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.

32. Categories of financial instruments

Particulars	Carrying value		Fair value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial assets				
Measured at amortised cost				
Trade receivables (note 9)	98,89,002	3,99,14,272	98,89,002	3,99,14,272
Investments (note 5)	1,11,26,12,750	1,01,15,52,750	1,11,26,12,750	1,01,15,52,750
Other financial assets (note 6)	43,12,678	3,34,17,184	43,12,678	3,34,17,184
Cash and cash equivalents (note 10)	4,15,66,840	13,64,52,362	4,15,66,840	13,64,52,362
Bank balances other than cash and cash equivalents (note 11)	7,80,00,000	1,28,86,234	7,80,00,000	1,28,86,234
Other financial assets (note 12)	16,51,22,325	5,24,15,758	16,51,22,325	5,24,15,758
Total	1,41,15,03,595	1,28,66,38,560	1,41,15,03,595	1,28,66,38,560
Financial liabilities				
Measured at amortised cost				
Borrowings (note 16)	6,56,81,54,881	3,87,20,41,239	6,56,81,54,881	3,87,20,41,239
Trade payables (note 18)	2,75,64,616	1,89,01,262	2,75,64,616	1,89,01,262
Other financial liabilities (note 19)	36,34,24,864	62,81,21,973	36,34,24,864	62,81,21,973
Total	6,95,91,44,361	4,51,90,64,474	6,95,91,44,361	4,51,90,64,474

The Company has assessed that trade receivables, cash and cash equivalents, bank balance, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term Borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

33. Financial instruments - fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular the valuation techniques and inputs used).

Fair value hierarchy

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

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

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

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

Particulars	Level	As at 31 March 2021	As at 31 March 2020
Derivative asset at FVOCI	Level 2	-	2,98,82,784
Derivative liability at FVOCI	Level 2	3,94,78,449	-
Key inputs for Level 2 fair valuation technique	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.		
Significant unobservable input	Not applicable		
Relationship of unobservable input to fair value	Not applicable		

34. Financial risk management objectives and policies

(A) Market Risk

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

The Company's activities expose it to market risk, liquidity risk and credit 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 Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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) Foreign currency risk	Committed commercial transactions, financial assets and liabilities not denominated in Rs.	Cash flow forecasting, sensitivity analysis	Forward foreign exchange contracts
b) 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, derivative financial instruments	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Borrowing facilities diversification

Details relating to the risks are provided here below:

(i) Foreign currency risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to import of modules, wherever required.

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies. It uses derivative instruments like forward covers/swap to hedge exposure to foreign currency risk.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure. The details of the foreign currency exposure and its carrying value are as follows:

Outstanding foreign currency exposure	As at 31 March 2021		As at 31 March 2020	
	USD	Rs.	USD	Rs.
Supplier's credit	1,94,31,312	1,42,82,92,760	1,31,13,636	98,85,83,257
Interest on supplier's credit	34,932	25,67,685	-	-

Foreign currency sensitivity analysis

Outstanding foreign currency exposure	As at 31 March 2021		As at 31 March 2020	
	Impact on statement of profit and loss	Impact on equity	Impact on statement of profit and loss	Impact on equity
1% decrease in Rs.	-	1,43,08,604	-	1,95,87,005
1% increase in Rs.	-	1,43,08,604	-	95,87,005

(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. For foreign borrowings, the Company designates interest rate and cross currency swaps and has a hedge ratio of 1:1. Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. 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 for 1% change in rate

Effect on profit before tax	Rate impact	Loan outstanding	
		Amount	Amount
31 March 2021	1%	6,72,35,07,900	6,72,35,079
31 March 2020	1%	3,90,45,93,429	3,90,45,934

(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 and foreign exchange transactions.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade receivables

The Company has already evaluated the credit worthiness of its customers 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 on the basis of its historical credit loss experience 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 2021 is Rs.98,89,002 (31 March 2020: Rs. 3,99,14,272)

b. Cash and cash equivalents and bank deposits

Credit risk on cash and cash equivalents, deposits, derivative instruments is generally low as the Company 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 the 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 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings*	13,96,25,762	2,84,66,60,465	42,22,85,249	3,31,49,36,425	6,72,35,07,901
Trade payables	2,75,64,616	-	-	-	2,75,64,616
Other financial liabilities	27,37,99,103	-	-	-	27,37,99,103
Total	44,09,89,481	2,84,66,60,465	42,22,85,249	3,31,49,36,425	7,02,88,71,620

As at 31 March 2020	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings*	13,70,74,676	1,29,66,65,991	23,41,49,352	2,23,67,03,410	3,90,45,93,429
Trade payables	1,89,01,262	-	-	-	1,89,01,262
Other financial liabilities	59,10,47,297	-	-	-	59,10,47,297
Total	74,70,23,235	1,29,66,65,991	23,41,49,352	2,23,67,03,410	4,51,45,41,988

*The maturity profile of borrowings is as per the actual cash flows.

(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 capital, securities premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt to equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loan and borrowings, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (note 16)	6,65,77,80,643	3,90,91,15,915
Less: Cash and cash equivalents (note 10)	(4,15,66,840)	(13,64,52,362)
Net debt	6,61,62,13,803	3,77,26,63,553
Equity (note 14 and note 15)	2,95,55,18,057	2,59,71,49,679
Gearing Ratio	2.24	1.45

In addition, the Company has financial covenants relating to the borrowing facilities has taken from the lenders like debt service coverage ratio, assets coverage ratio, debt-equity ratio and total outstanding liability to net worth ratio which are required to be maintained by the Company as per the terms and considerations of the loan agreement.

35. Cash flow hedge

The Company's business objective includes safe-guarding its foreign exchange borrowings against adverse foreign exchange movements. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for fair value and cash flow hedges. Hedging instruments include forward contracts, swaps and other instruments to achieve this objective. The Company has taken derivative instruments (currency swaps and interest rate swap) to hedge its foreign currency exposure.

The details of derivative contracts outstanding as at 31 March 2021 is as follows:

Non current	Hedged item	Risk hedged	Nominal value		Carrying value of hedging instrument		Expected maturity
			USD	Rs.	Asset	Liability	
Cash flow hedges							
Cross currency swaps	Suppliers credit and interest	Exchange rate movement risk and interest rate risk	1,56,91,909	1,13,15,21,672	-	2,36,82,815	November 2022 - May 2023
Currency Swap	Suppliers credit	Exchange rate movement risk	37,39,403	28,05,86,118	-	1,43,75,181	June 2023
Interest rate swap	Interest on suppliers credit	Interest rate risk	34,932	25,77,302	-	14,20,454	June 2023

The details of derivative contracts outstanding as at 31 March 2020 is as follows:

Non current	Hedged item	Risk hedged	Nominal value		Carrying value of hedging instrument		Expected maturity
			USD	Rs.	Asset	Liability	
Cash flow hedges							
Cross currency swaps	Suppliers credit and interest	Exchange rate movement risk and interest rate risk	1,31,13,636	93,53,15,114	2,98,82,784	-	November 2022 - December 2022

The line item in the Balance Sheet that includes the above hedging instruments is 'Other Non Current Assets'/Other Financial Liabilities'

Movement in hedge reserve account

Cash flow hedge reserve account	As at 31 March 2021		As at 31 March 2020	
	Realised	Unrealised	Realised	Unrealised
Balance at the beginning of the year	-	2,33,85,358	-	-
Add: Additions during the year	-	3,22,78,061	-	2,33,85,358
Less: Amount reclassified to statement of profit or loss	-	-	-	-
Closing balance	-	5,56,63,419	-	2,33,85,358

Note 36. Retirement benefits

36.1 Defined Contribution Plan:

Amount of Rs. 63,83,456 (31 March 2020 : Rs. 66,07,428) is recognised as an expense and included in note 25 - 'employee benefit expenses' in the statement of profit and loss.

36.2 Employee benefits- Defined benefits plans as per Actuarial Valuation:

Gratuity:

The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of service, whichever is earlier, of an amount equivalent to 15 to 30 days' salary for each completed year of service, as per rules framed in this regard. Vesting occurs upon completion of five continuous years of service in accordance with Indian law. In case of majority of employees, the Company's scheme is more favourable as compared to the obligation under payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

Statement of profit and loss

	(in Rs.)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Net employee benefit expense recognized in the employee cost		
Current service cost	39,69,657	48,41,213
Interest cost on benefit obligation	14,65,023	9,63,052
Past service cost	-	-
Expected return on plan assets	-	-
Net actuarial gain/loss recognized in the year	-	-
Net benefit expense recognised in the statement of profit and loss	54,34,680	58,04,265

Balance sheet

	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Opening net defined benefit liability/(asset)	2,70,03,983	-
Expense charged to profit and loss account	54,34,680	58,04,265
Amount recognized outside profit & loss account	(52,25,832)	85,27,983
Employer contribution	(83,01,211)	-
Impact of liability assumed or settled	(14,67,639)	1,26,71,735
Closing net defined benefit liability / asset	1,74,43,981	2,70,03,983

Changes in the present value of the defined benefit obligation are as follows:

	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Opening defined benefit obligation	2,70,03,983	-
Current service cost	39,69,657	48,41,213
Benefits directly paid by the Company	-	-
Interest on defined benefit obligation	14,65,023	9,63,052
Benefits paid	(83,01,211)	-
Actuarial (gains)/losses on obligation	(52,25,832)	85,27,983
Liabilities assumed/settled	(14,67,639)	1,26,71,735
Closing defined benefit obligation as at the end of the year	1,74,43,981	2,70,03,983

The principal assumptions used in determining benefit obligations are shown below:

	For the year ended 31 March 2021	As at 31 March 2021
Discount rate (per annum)	6.10%	6.90%
Age of retirement	60 years	60 years
Annual increase in salary cost	6%	6%
Attrition/withdrawal rate (per annum)		
Age (in years)	Rate (p.a.)	Rate (p.a.)
21-30	13.00%	11.00%
31-40	0%	0%
41-50	13.00%	7.00%
51-59	33.00%	0%
Mortality (table)	IALM (2012-14) UFR	IALM (2012-14) UFR

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

36.3 The sensitivity analysis on defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Defined benefit obligation on increase in 50 bps	1,71,34,054	1,77,67,808	2,62,91,020	2,77,75,026
Impact of increase in 50 bps on defined benefit obligation	-1.78%	1.86%	-2.64%	2.86%
Defined benefit obligation on decrease in 50 bps	1,77,69,059	1,71,32,332	2,77,72,031	2,62,81,906
Impact of decrease in 50 bps on defined benefit obligation	1.86%	-1.79%	2.84%	-2.67%

36.4 The obligation for compensated absences is recognised in the same manner as gratuity, amounting to charge of Rs. (23,95,874) (31 March 2020 - Rs. 62,87,258)

36.5 The expected maturity analysis of gratuity are as follows:

	(in Rs.)				
As at 31 March 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Gratuity	63,09,512	69,63,483	17,56,909	78,44,371	2,28,74,275
As at 31 March 2020	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Gratuity	1,02,50,810	7,38,880	1,08,50,888	2,44,76,932	4,63,17,510

37. Capital Commitments

(in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	36,29,08,475	1,83,51,76,810
Total	36,29,08,475	1,83,51,76,810

38. There are contingent liabilities amounting to Rs.1,02,12,505 as at 31 March 2021 (31 March 2020 : Rs. Nil).

39. The Board of Directors in its meeting held on 26 November 2019 had approved the merger of the Company with Aditya Birla Solar Limited (ABSL), a wholly owned subsidiary of Grasim Industries Limited. On merger, the shareholders of ABSL will be issued shares of the Company. The appointed date of the Scheme is 01 April 2019, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions stated in the scheme. The Company along with ABSL had filed a joint application and Scheme of Arrangement with the NCLT, Mumbai on 27 March 2020 in this regard. The matter was heard on 17 February 2021 wherein the application was allowed. Pursuant to this hearing, the Company received the detailed order from NCLT on 9 April 2021 and the Company has complied with the directions as set out in the order. The Company is in process of filing a compliance affidavit with respect to the aforesaid directions and a petition seeking sanction on the merger and the dissolution of ABSL. Pending the scheme coming into force, no effect of the same has been considered in the financial statements.

40. 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on 31 March 2021. The 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.

41. Previous period's figures have been regrouped/reclassified wherever necessary, to conform to current period's classification.

For S R B C & COLLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003



Mr Pinky Atul Mehta
Partner

Membership No.: 36738

Place: Mumbai

Date: 18 May 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables Limited



Amitabh Verma
Executive Director
DIN:08990619



Pinky Atul Mehta
Director
DIN:00020429



Pawan Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: 18 May 2021



Shweta Mayekar
Company Secretary
Membership No: ACS 23786

**ADITYA BIRLA RENEWABLES
ENERGY LIMITED**

1ST ANNUAL REPORT

2020-21

ADITYA BIRLA RENEWABLES ENERGY LIMITED

Registered Office: A-2, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India

Corporate Identity Number: U40100MH2020PLC339362

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

Email id: abreel@adityabirla.com

BOARD OF DIRECTORS' REPORT

To

The Members of the Company

Aditya Birla Renewables Energy Limited

Your Directors have pleasure in presenting the 1st (first) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(Amount in Rupees)

Particulars	Financial Year ended March 31, 2021 i.e. from 13.04.2020 to 31.03.2021
Total Income	1,08,71,536
Less : Total Expenses	77,60,100
Profit before Tax	31,11,436
Tax Expenses	
Current Tax	-
MAT credit entitlement	(7,65,944)
Deferred Tax	-
Profit after Tax (A)	23,45,492
Other Comprehensive Income (B)	(73,22,750)
Total Comprehensive Income for the Period (A+B)	(49,77,258)

2. State of the Company's affairs

During the financial year 2020-21, the Company has successfully commissioned 2 (two) captive solar power plants for UltraTech Cement Limited as follows and the same are operating satisfactorily:

Sr. No.	Name and Capacity	Location
1	Sidhi - 7.5 MWp DC	Village: Baghwar, Post: Bharatpur, District: Sidhi, Madhya Pradesh, India
2	Maihar - 12.5 MWp DC	Post: Maihar, Tal: Maihar, Dist: Satna, Madhya Pradesh, India

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The Solar PV Power Plants employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 30,21,279 units during the year. The revenue from operations of the Company was Rs. 91,82,360 during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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, 2021.

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, 2021 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 2020-21, 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, 2021, 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, 2021.

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9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

- i. Authorized Share Capital:
Rs. 14,50,00,000 (Rupees Fourteen Crore Fifty Lakh Only) divided into 1,45,00,000 (One Crore Forty-Five Lakh Only) Equity shares of Rs. 10 each.
- ii. Issued, Paid-up and Subscribed Capital:
Rs. 13,15,00,000 (Rupees Thirteen Crore Fifteen Lakh Only) divided into 1,31,50,000 (One Crore Thirty-One Lakh Fifty Thousand Only) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, were the First Directors of the Company since incorporation of the Company. Further, during the year, Mr. Ravinder Khanna ceased to be a Director due to his untimely and sad demise on March 14, 2021. Subsequently, Company appointed Mr. Amitabh Verma as an Additional Director of the Company with effect from March 20, 2021.

Further, as at March 31, 2021, the paid-up share capital of the Company was Rs. 13,15,00,000 (Rupees Thirteen Crore Fifteen Lakh Only) and hence for the financial year 2021-22, the Company is required to appoint Independent Directors on the Board of Directors of the Company. Accordingly, the Board of Directors at their meeting held on April 22, 2021, Company had appointed Mr. Subhash Chandra Bhargava and Mr. Vijay Agarwal as Independent Directors of the Company to hold office upto the date of ensuing Annual general meeting. The Board of Directors of the Company are of the opinion that the Independent Directors of the Company are people of integrity and they hold eminent expertise and relevant experience to be appointed as the Independent Director of the Company.

All the Directors of your Company have given requisite declarations 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, 2021 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 2020-21 (DD/MM/YY)				
	24-04-2020	20-07-2020	12-09-2020	17-10-2020	15-01-2021
Mr. Ravinder Khanna	✓	✓	✓	✓	✓
Mr. Pavan K. Jain	✓	✓	✓	✓	✓
Mr. Pawan Kumar Jain	✓	✓	✓	✓	✓

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

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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 –

- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- (b) 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;
- (c) 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;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) 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 2020-21, 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 in the said financial year.

Further, as at March 31, 2021, the paid-up share capital of the Company was Rs. 13,15,00,000 (Rupees Thirteen Crore Fifteen Lakh Only) and hence for the financial year 2021-22, the Company is required to constitute Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company. Accordingly, the Board of Directors at their meeting held on April 22, 2021 constituted the following Committees of the Board of Directors of the Company:

A) Audit Committee:

Audit Committee Composition:

Committee Member	Designation
Mr. Subhash Chandra Bhargava	Chairman
Mr. Vijay Agarwal	Member
Mr. Pawan Kumar Jain	Member

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B) Nomination and Remuneration Committee:

Nomination and Remuneration Committee Composition:

Committee Member	Designation
Mr. Vijay Agarwal	Chairman
Mr. Subhash Chandra Bhargava	Member
Mr. Amitabh Verma	Member

14. Corporate Social Responsibility (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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 2020-21, 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 2020-21, 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 (Share Capital 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.

ADITYA BIRLA RENEWABLES ENERGY LIMITED

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19. Key Managerial Personnel

During financial year 2020-21, the Company was required to appoint Key Managerial Personnel 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.

Thus, the Company had appointed the following Key Managerial Personnel (KMP) during the financial year 2020-21:

Sr. No.	Name of the KMP	Designation of the KMP	Date of Appointment
1.	Mr. Samir Dash	Manager	October 17, 2020
2.	Mr. Ram Kishore Dwivedi	Chief Financial Officer	October 17, 2020
3.	Ms. Maitri Shah	Company Secretary	January 15, 2021

20. Establishment of vigil mechanism

During the financial year 2020-21, there were no alleged wrongful conduct received/noticed. The Board of Directors at their meeting held on April 22, 2021 had adopted a Whistle Blower Policy/Vigil Mechanism ("the Policy" or "this Policy") of the Company. The vigil mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the vigil mechanism. Further there is a provision to access Chairman of the Audit Committee directly in exceptional cases.

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.

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 2020-21, 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.

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24. Statutory Auditors

During the financial year 2020-21, the Board of Directors at its meeting held on April 24, 2020 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 April 22, 2021 had proposed to the members the appointment 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. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143 (12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

27. Cost Record

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21, the Company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21, the Company has not given loans 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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29. 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 April 24, 2020 and is available at the registered office of the Company. During the financial year 2020-21, 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 attached herewith as **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.

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

During the financial year 2020-21, 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 |

31. 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.

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 April 24, 2020. 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

The foreign exchange earned in terms of actual inflows during the reporting period and the foreign exchange outgo during the reporting period in terms of actual outflows – USD 15,200 (Outflow).

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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 2020-21, 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 April 13, 2020, the revision of Financial Statements or Board of Directors Report of preceding three financial years is not applicable to the Company.

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

During the financial year 2020-21, no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

40. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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41. 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 2020-21.

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



(Amitabh Verma)

Director

DIN: 08990619

(Pawan Kumar Jain)

Director

DIN: 07833315

Place: Mumbai

Date: April 22, 2021

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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 Fee	Grasim Industries Limited	Ultimate holding Company	Short term Contract	Management Fees for 12.5 MWp Maihar Solar Power Project at Madhya Pradesh. The Order Value for contract is Rs. 161.46 lacs.	Date of Initial Approval by the Board: July 20, 2020 Date of noting by the Board September 12, 2020	NIL
2	Project Management Fee	Grasim Industries Limited	Ultimate holding Company	Short term Contract	Management Fees for 7.5 MWp Sidhi Solar Power Project at Madhya Pradesh. The Order Value for contract is Rs. 111.83 lacs.	Date of Initial Approval by the Board: July 20, 2020 Date of noting by the Board September 12, 2020	NIL
3	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Ultimate holding Company	Long term contract	Supervision and Monitoring Service of O&M for 12.5 MWp Maihar Solar Power Project at Madhya Pradesh. The Order Value for contract is Rs. 1,92,074	Date of Initial Approval by the Board: July 20, 2020 Date of noting by the Board April 22, 2021	NIL
4	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Ultimate holding Company	Long term contract	Supervision and Monitoring Service of O&M for 7.5 MWp Sidhi Solar Power Project at Madhya Pradesh. The Order Value for contract is Rs. 1,51,676	Date of Initial Approval by the Board: July 20, 2020 Date of noting by the Board April 22, 2021	NIL

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

Place: Mumbai
Date: April 22, 2021




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director
DIN: 07833315

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables Energy 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 Energy Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 period from 13 April 2020 to 31 March 2021, 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 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the period 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 Ind AS 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 Auditors' 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 Ind AS 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.

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

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 Ind AS 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.

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the period ended 31 March 2021 has been provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

- (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

VIJAY
MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.04.22
23:20:14 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACQ8722
Place of Signature: Mumbai
Date: 22 April 2021

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

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) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, as per the program, there was no plan to undertake physical verification of fixed assets by the management during the period under audit and hence we are unable to comment on the discrepancies, if any.
- (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 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.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of custom and goods and service tax, cess, which have not been deposited on account of any dispute. 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.

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

- (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 period.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 period 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.

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

(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

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.04.22
23:21:26 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACQ8722
Place of Signature: Mumbai
Date: 22 April 2021

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables Energy Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the period 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

Aditya Birla Renewables Energy Limited
Independent Auditor's Report

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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & C O L L P
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.04.22
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per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACQ8722
Place of Signature: Mumbai
Date: 22 April 2021

(in Rs.)

Particulars	Notes	As at 31 March 2021
Assets		
Non current assets		
Property, plant and equipment	3	61,81,93,762
Deferred tax asset (net)	4	7,50,936
Non current tax assets (net)	5	54,950
		61,89,99,648
Current assets		
Financial assets		
Trade receivables	6	19,52,465
Cash and cash equivalents	7	66,66,357
Bank balances other than cash and cash equivalents	8	2,90,00,000
Other financial assets	9	38,41,321
Other current assets	10	34,93,359
		4,49,53,502
Total assets		66,39,53,150
Equity and liabilities		
Equity		
Equity share capital	11	13,15,00,000
Other equity	12	(49,77,258)
		12,65,22,742
Liabilities		
Non current liabilities		
Financial liabilities		
Borrowings	13	28,53,04,554
Other financial liabilities	14	84,73,242
		29,37,77,796
Current liabilities		
Financial Liabilities		
Other financial liabilities	15	24,13,12,476
Other current liabilities	16	23,40,136
		24,36,52,612
Total liabilities		53,74,30,408
Total equity and liabilities		66,39,53,150

Summary of significant accounting policies

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

VIJAY

Digitally signed by
VIJAY MANIAR

MANIAR

Date: 2021.04.22
23:25:34 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

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

Pawan

Kumar Jain

Digitally signed by
Pawan Kumar Jain
Date: 2021.04.22
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Pawan Kumar Jain

Director

DIN:07833315

**Ram Kishore
Dwivedi**

Digitally signed by
Ram Kishore Dwivedi
Date: 2021.04.22
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Ram Kishore Dwivedi

Chief Financial Officer

AMITABH

VERMA

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AMITABH VERMA
Date: 2021.04.22
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Amitabh Verma

Director

DIN:08990619

**MAITRI
SHAH**

Digitally signed
by MAITRI SHAH
Date: 2021.04.22
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Maitri Shah

Company Secretary

Membership No.: ACS 44236

Place: Mumbai

Date: 22 April 2021

Aditya Birla Renewables Energy Limited
CIN: U40100MH2020PLC339362
Statement of profit and loss for the period ended 31 March 2021

(in Rs.)

Particulars	Notes	For the period from 13 April 2020 to 31 March 2021
Income		
Revenue from operations	17	91,82,360
Other income	18	16,89,176
Total income		1,08,71,536
Expenses		
Depreciation expenses	19	20,96,231
Finance costs	20	27,34,081
Other expenses	21	29,29,788
Total expenses		77,60,100
Profit for the period before tax		31,11,436
Tax expenses		
Current tax		-
Deferred tax	4	7,65,944
Total tax expense		7,65,944
Net profit for the period		23,45,492
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Net movement on cashflow hedge		(88,39,630)
Income tax effect	4	15,16,880
Other comprehensive income for the period		(73,22,750)
Total comprehensive income for the period		(49,77,258)
Earnings per equity share of Rs. 10 each		
Basic and diluted	22	0.30

Summary of significant accounting policies 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

VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.04.22 23:27:32 +05'30'

per Vijay Maniar

Partner
Membership No.: 36738
Place: Mumbai
Date: 22 April 2021

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

Pawan Kumar Jain
Digitally signed by Pawan Kumar Jain
Date: 2021.04.22 21:22:32 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

Ram Kishore Dwivedi
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Date: 2021.04.22 21:33:23 +05'30'

Ram Kishore Dwivedi
Chief Financial Officer

AMITABH VERMA
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Date: 2021.04.22 21:26:06 +05'30'

Amitabh Verma
Director
DIN:08990619

MAITRI SHAH
Digitally signed by MAITRI SHAH
Date: 2021.04.22 22:25:22 +05'30'

Maitri Shah
Company Secretary
Membership No.: ACS 44236

Place: Mumbai
Date: 22 April 2021

Aditya Birla Renewables Energy Limited
CIN: U40100MH2020PLC339362
Cash flow statement for the period ended 31 March 2021

(in Rs.)

Particulars	For the period from 13 April 2020 to 31 March 2021
Cash flow from operating activities	
Profit for the period before tax as per the statement of profit and loss	31,11,436
Adjustments for:	
Interest income	(2,50,746)
Finance costs	27,10,864
Depreciation expenses	20,96,231
Stamp duty on issue of shares	13,49,050
Operating profit before working capital changes	90,16,835
Working capital adjustments	
Increase in trade receivables	(19,52,465)
Increase in other current assets and other financial assets	(48,90,364)
Increase in other financial liabilities	13,45,164
Increase in other current liabilities	23,40,136
Cash generated from operating activities	58,59,306
Income taxes paid	(54,950)
Cash generated from operating activities	58,04,356
Cash flow from investing activities	
Purchase of tangible assets including capital work in progress	(38,22,85,170)
Fixed deposits with original maturity of more than three months (placed)/matured	(2,90,00,000)
Interest received	8,04,855
Cash used in investing activities	(41,04,80,315)
Cash flow from financing activities	
Proceeds from issue of equity shares	13,15,00,000
Stamp duty on issue of shares	(13,49,050)
Proceeds from borrowings	28,73,93,700
Loan transaction expenses	(52,93,515)
Proceeds from inter corporate loan	2,00,00,000
Repayment of inter corporate loan	(2,00,00,000)
Interest paid	(9,08,819)
Cash generated from financing activities	41,13,42,316
Net increase in cash and cash equivalents	66,66,357
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at the end of the period (note 7)	66,66,357

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

(in Rs.)

Particulars	As at 31 March 2021
Balance with banks	
On current accounts	41,66,357
Fixed deposits with original maturity of less than three months	25,00,000
Total	66,66,357

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

Reconciliation of liabilities from financing activities for the period ended 31 March 2021

(in Rs.)

Particulars	As at 13 April 2020	Cashflows	Non cash changes/Transaction costs	As at 31 March 2021
Borrowings-non-current	-	28,73,93,700	(20,89,146)	28,53,04,554
Other financial liabilities (current maturity of long term debt)	-	-	-	-
Borrowings-current	-	-	-	-
Total	-	28,73,93,700	(20,89,146)	28,53,04,554

As per our report attached of even date

For S R B C & CO LLP

Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

**VIJAY
MANIAR**
Digitally signed by
VIJAY MANIAR
Date: 2021.04.22
23:29:28 +05'30'

per Vijay Maniar

Partner
Membership No.: 36738
Place: Mumbai
Date: 22 April 2021

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

Pawan
Kumar Jain
Digitally signed by
Pawan Kumar Jain
Date: 2021.04.22
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**AMITABH
VERMA**
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Date: 2021.04.22 21:25:49 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

Amitabh Verma
Director
DIN:08990619

**Ram
Kishore
Dwivedi**
Digitally signed by
Ram Kishore
Dwivedi
Date: 2021.04.22
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MAITRI SHAH
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Date: 2021.04.22
22:26:07 +05'30'

Ram Kishore Dwivedi
Chief Financial Officer

Maitri Shah
Company Secretary
Membership No.: ACS 44236

Place: Mumbai
Date: 22 April 2021

Aditya Birla Renewables Energy Limited

CIN: U40100MH2020PLC339362

Statement of changes in equity for the period ended 31 March 2021**A) Equity share capital**

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Issue of equity share capital (note 11)	1,31,50,000	13,15,00,000
As at 31 March 2021	1,31,50,000	13,15,00,000

B) Other equity**(in Rs.)**

Particulars	Surplus in the statement of profit & loss	Total
As at 13 April 2020		
Profit for the period (note 12)	23,45,492	23,45,492
Other comprehensive income (note 12)	(73,22,750)	(73,22,750)
Closing balance as at 31 March 2021	(49,77,258)	(49,77,258)

Summary of significant accounting policies

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

VIJAY
MANIAR
 Digitally signed by
 VIJAY MANIAR
 Date: 2021.04.22
 23:31:45 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

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

Pawan
Kumar Jain
 Digitally signed by
 Pawan Kumar Jain
 Date: 2021.04.22
 21:22:58 +05'30'

Pawan Kumar Jain

Director

DIN:07833315

Ram
Kishore
Dwivedi
 Digitally signed by
 Ram Kishore
 Dwivedi
 Date: 2021.04.22
 21:34:49 +05'30'

Ram Kishore Dwivedi

Chief Financial Officer

AMITABH
VERMA
 Digitally signed by
 AMITABH VERMA
 Date: 2021.04.22
 21:25:33 +05'30'

Amitabh Verma

Director

DIN:08990619

MAITRI
SHAH
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 MAITRI SHAH
 Date: 2021.04.22
 22:27:01 +05'30'

Maitri Shah

Company Secretary

Membership No.: ACS 44236

Place: Mumbai

Date: 22 April 2021

1. Corporate information

Aditya Birla Renewables Energy Limited ('the Company') is a public limited Company incorporated on 13 April 2020 and domiciled in India having its registered office located at A-2, 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 UltraTech Cement Limited is an associate of the Company with 26% shareholding.

The Company is primarily engaged in the business of generation and supply of electricity through solar power to plants of UltraTech Cement Limited for captive consumption purpose.

The financial statements were authorized for issue in accordance with a resolution of the directors on 22 April 2021.

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, such as derivatives 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. 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 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. Freehold land is carried at historical cost and is not subject to depreciation. 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
- Office equipment: 3-5 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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.

(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.

The Company has changed the method of calculation of amortization of loan transaction expenses from cash flow basis to straight-line amortization over the tenure of the loan.

(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 and for the purpose of the statement of cash flows 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.

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 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 Energy Limited

CIN: U40100MH2020PLC339362

Notes to financial statements for the period ended 31 March 2021

3. Property, plant and equipment

(in Rs)											
Sr. No.	Particulars	Location	Gross Block				Depreciation				Net Block
			As at 13 April 2020	Additions	Disposals	As at 31 March 2021	As at 13 April 2020	Charge for the period	Disposals	As at 31 March 2021	As at 31 March 2021
1	Plant and equipment	Siddhi (8.6 MWp DC)	-	24,12,12,998	-	24,12,12,998	-	13,87,572	-	13,87,572	23,98,25,426
		Maiher (12.5 MWp DC)	-	35,06,32,395	-	35,06,32,395	-	6,08,403	-	6,08,403	35,00,23,992
2	Building	Siddhi (8.6 MWp DC)	-	1,26,67,005	-	1,26,67,005	-	72,879	-	72,879	1,25,94,126
		Maiher (12.5 MWp DC)	-	1,57,77,595	-	1,57,77,595	-	27,377	-	27,377	1,57,50,218
Total			-	62,02,89,993	-	62,02,89,993	-	20,96,231	-	20,96,231	61,81,93,762

Property plant and equipment pledged as security

Property, plant and equipment has been pledged as security for borrowings by the Company (note 13).

Capitalised borrowing costs

During the period ended 31 March 2021, the amount of borrowing costs capitalised is Rs 48,58,512. The rate used to determine the amount of borrowing costs eligible for capitalisation is mentioned in note 13.

4. Deferred tax asset (net)

(in Rs)

Particulars	Charge for the period		As at 31 March 2021
	Profit and loss	Other comprehensive income	
Deferred tax assets			
Preliminary expenses	24,495	-	24,495
Business loss (note a)	1,96,03,504	-	1,96,03,504
	1,96,27,999	-	1,96,27,999
Deferred tax liabilities			
Accelerated depreciation for tax purposes	(2,03,93,943)	-	(2,03,93,943)
	(2,03,93,943)	-	(2,03,93,943)
Net movement on cash flow hedges (note b)	-	15,16,880	15,16,880
Deferred tax assets	(7,65,944)	15,16,880	7,50,936

Notes:

- a) Recognized on business losses which will be available to offset future taxable income of the Company.
b) Income tax effect on net movement of cash flow hedge.

Reconciliation of effective tax rate

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

(in Rs)

Particulars	For the period from 13 April 2020 to 31 March 2021
Profit before tax as per the statement of profit and loss	31,11,436
Statutory tax rate applicable	17.16%
Computed tax expense	5,33,922
Tax effect of:	
Non deductible expenses	2,32,022
Total	2,32,022
Tax expense recognised in the statement of profit and loss	7,65,944
Effective tax rate	24.62%

5. Non current tax assets (net) (in Rs)

Particulars	As at 31 March 2021
Advance income tax and TDS receivable (net of provision of Rs. Nil)	54,950
Total	54,950

6. Trade receivables (in Rs)

Particulars	As at 31 March 2021
Receivables from related parties (note 24)	19,52,465
Total	19,52,465

Break up for security details (in Rs)

Particulars	As at 31 March 2021
Secured, considered good	-
Unsecured, considered good	19,52,465
Trade receivables which have significant increase in credit risk [note 28(C)(a)]	-
Trade receivables - credit impaired [note 28(C)(a)]	-
Total	19,52,465

No trade or other receivable is due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable 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 24

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

The above trade receivables has been pledged as security for borrowings by the Company (note 13).

7. Cash and cash equivalents (in Rs)

Particulars	As at 31 March 2021
Balance with banks	
On current accounts	41,66,357
Deposits with original maturity of less than three months	25,00,000
Total	66,66,357

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. Bank balances other than cash and cash equivalents (in Rs)

Particulars	As at 31 March 2021
Deposits with original maturity of more than three months but less than twelve months	2,90,00,000
Total	2,90,00,000

9. Other financial assets (in Rs)

Particulars	As at 31 March 2021
Unbilled revenue (note 24)	38,26,161
Accrued interest	5,160
Security deposits (unsecured, considered good)	10,000
Total	38,41,321

10. Other current assets (in Rs)

Particulars	As at 31 March 2021
Balances with government authorities	36,180
Prepayments	34,57,179
Total	34,93,359

11. Equity share capital**(in Rs)**

Particulars	As at 31 March 2021
Authorised share capital:	
1,45,00,000 equity shares of Rs. 10 each	14,50,00,000
	14,50,00,000
Issued equity capital	
1,31,50,000 equity shares of Rs 10 each issued, subscribed and fully paid	13,15,00,000
	13,15,00,000

(a) Reconciliation of issued share capital

Particulars	As at 31 March 2021 (in nos.)
Issue of shares during the period	1,31,50,000
Number of shares outstanding at the end of the period	1,31,50,000

(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 UltraTech Cement 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 2021	
	Number of shares	% holding
Aditya Birla Renewables Limited	97,31,000	74%
UltraTech Cement Limited	34,19,000	26%
Total	1,31,50,000	100%

12. Other equity**(in Rs)**

Particulars	As at 31 March 2021
Profit for the period	23,45,492
Other comprehensive income	(73,22,750)
Total	(49,77,258)

13. Borrowings (in Rs)

Particulars	As at 31 March 2021
Secured	
Letter of credit discounted	17,86,49,738
Suppliers credit	10,66,54,816
Total	28,53,04,554

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Letter of credit				
Axis Bank Limited	28,73,93,701	28,53,04,554	5.05% - 7.00%	The loan is repayable in 58 structured quarterly instalments beginning from 30 June 2022. The letter of credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 30 September 2036.

Security

The lender has sanctioned a rupee term loan facility of Rs 23,30,00,000 for Siddhi Project and Rs. 33,70,00,000 for Maihar Project. This facility is secured as follows:

- 1) First charge on the project's tangible movable fixed asset both present and future located at Madhya Pradesh.
- 2) First charge on project's current assets and book debts, receivables.
- 3) First charge by way of hypothecation and/or assignment or creation of security interest over all the rights, title, interest, benefits, claim and demands into and under Project Documents (including termination payment to be received from UCL under the PPA), all as amended, varied or supplemented from time to time, any letter of credit, guarantee, performance bond provided by any counterparty of Project 1 and the Project Insurance Contracts, policies, insurance proceeds procured by the Company
- 4) First charge on all the bank accounts pertaining to Projects including the Debt Service Reserve Account.

The loan is repayable in 58 structured quarterly instalments beginning from 30 June 2022 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 facilities arrangement of the Company.

Loan covenants

Bank loan contains certain debt covenants relating to limitations on indebtedness, debt-equity ratio, debt service coverage ratio, total outstanding liability to networth 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.

14. Other financial liabilities**(in Rs)**

Particulars	As at 31 March 2021
Derivative liability	84,73,242
Total	84,73,242

15. Other financial liabilities**(in Rs)**

Particulars	As at 31 March 2021
Liability for capital expenditures (including retention money)	21,91,77,044
Provision for expenses	5,36,582
Other payables	8,08,582
Interest accrued but not due on borrowings	62,61,733
Payable to related parties (note 24)	
- Project management fees	1,45,28,535
Total	24,13,12,476

Note: Liability for Capital expenditures consists of mainly payments to be made to the capital creditors which is intended to be paid by the Company within 12 months from the reporting date through the unutilised sanctioned limits of non-current borrowings as disclosed in Note 13.

16. Other current liabilities**(in Rs)**

Particulars	As at 31 March 2021
Statutory liabilities:	
Tax deducted at source	23,03,956
Goods and service tax payable	36,180
Total	23,40,136

17. Revenue from operations (in Rs)	
Particulars	For the period from 13 April 2020 to 31 March 2021
Solar power generation (note 24)	
Siddhi (8.6 MWp DC)	72,29,894
Maiher (12.5 MWp DC)	19,52,466
Total	91,82,360

The Company has one principal customer i.e., UltraTech Cement Limited for all its solar power projects. The Company has entered into Power Purchase Agreements (PPAs) 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 2021
Contract assets	-
Contract liabilities	-
Receivables	
Trade receivables (note 24)	19,52,465
Unbilled revenue (note 24)	38,26,161
Total	57,78,626

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

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.

18. Other income (in Rs)	
Particulars	For the period from 13 April 2020 to 31 March 2021
Interest income	2,50,746
Exchange difference (net)	14,38,430
Total	16,89,176

19. Depreciation expenses (in Rs)	
Particulars	For the period from 13 April 2020 to 31 March 2021
Depreciation on property, plants and equipment	20,96,231
Total	20,96,231

20. Finance costs (in Rs)	
Particulars	For the period from 13 April 2020 to 31 March 2021
Interest cost on borrowings	27,10,864
Bank charges	23,217
Total	27,34,081

21. Other expenses (in Rs)	
Particulars	For the period from 13 April 2020 to 31 March 2021
Insurance expenses	1,16,374
Legal and professional fees	2,04,209
Payment to auditors (refer note below)	4,72,000
Repairs and maintenance	1,24,308
Stamp duty on issue of shares	13,49,050
Managerial remuneration	2
Incorporation expenses	1,78,431
Rates and taxes	11,935
Car hire charges	1,26,160
Travelling expenses	2,62,667
Miscellaneous expenses	84,652
Total	29,29,788

(in Rs)	
Payment to auditors (including GST)	For the period from 13 April 2020 to 31 March 2021
As auditor	
Audit fees	4,72,000
Total	4,72,000

22 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit/loss 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 /loss 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 13 April 2020 to 31 March 2021
Profit attributable to equity holders (in Rs)	23,45,492
Weighted average number of equity shares for basic and diluted EPS	78,06,091
Basic and diluted earnings per share (in Rs)	0.30

23 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 28)
- Capital management (note 28)

a) 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

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 Agreements (PPAs) entered into with its customer, UltraTech Cement 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.

b) 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.

i) 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.

ii) 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.

iii) Recognition and measurement of provisions and contingencies

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

24 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the period :

(A) Holding Company

Aditya Birla Renewables Limited (74%)

(B) Ultimate Holding Company

Grasim Industries Limited (through its 100% holding in Aditya Birla Renewables Limited)

(C) Associate Company

UltraTech Cement Limited (26%)

(D) Key Managerial personnel

Mr. Ravinder Khanna, Director (upto 14 March 2021)

Mr. Amitabh Verma, Additional Director (w.e.f. 20 March 2021)

Mr. Pavan Kumar Jain, Director (w.e.f. 13 April 2020)

Mr. Pawan Kumar Jain, Director (w.e.f. 13 April 2020)

Mr. Ram Kishore Dwivedi, Chief Financial Officer (w.e.f. 17 October 2020)

Mr. Samir Dash, Manager (w.e.f. 17 October 2020)

Details of transactions with related parties:

(in Rs.)

Sr. No.	Particulars	For the period from 13 April 2020 to 31 March 2021
1	Allotment of equity shares Aditya Birla Renewables Limited UltraTech Cement Limited	9,73,10,000 3,41,90,000 13,15,00,000
2	Reimbursement of expenses Aditya Birla Renewables Limited	15,13,658
3	Inter corporate loan taken Aditya Birla Renewables Limited Interest capitalised in property plant and equipment	2,00,00,000 9,041 2,00,09,041
4	Inter corporate loan repaid Aditya Birla Renewables Limited Principal Interest	2,00,00,000 9,041 2,00,09,041
5	Revenue from operations UltraTech Cement Limited	91,82,360
6	Project management fees capitalised in property, plant and equipment Grasim Industries Limited	2,62,67,543
7	Managerial remuneration Mr. Ram Kishore Dwivedi Mr. Samir Dash	1 1

Details of closing balances :

(in Rs.)

Sr. No.	Particulars	As at 31 March 2021
1	Share capital Aditya Birla Renewables Limited UltraTech Cement Limited	9,73,10,000 3,41,90,000 13,15,00,000
2	Project management fees Grasim Industries Limited	1,45,28,535
3	Trade receivables UltraTech Cement Limited	19,52,465
4	Unbilled revenue UltraTech Cement Limited	38,26,161
5	Payable towards reimbursement of expenses Aditya Birla Renewables Limited	2,73,727
6	Managerial remuneration Mr. Ram Kishore Dwivedi Mr. Samir Dash	1 1

Note: Related party relationships as per Indian Accounting Standard (Ind AS 24) have been identified by the management and relied upon by the auditors.

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 2021. 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.

25 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.

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

(in Rs)

Particulars	As at 31 March 2021
Principal amount due to micro enterprises and small enterprises	68,66,095
Interest due on above	-
Amount of interest paid during the year	-
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 year	-
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.

27 Categories of Financial instruments

(in Rs)

Particulars	As at 31 March 2021 Carrying value	As at 31 March 2021 Fair value
Financial assets		
Measured at amortized cost (carrying value approximates the amortized cost) :		
Trade receivables (note 6)	19,52,465	19,52,465
Cash and cash equivalents (note 7)	66,66,357	66,66,357
Bank balances other than cash and cash equivalents (note 8)	2,90,00,000	2,90,00,000
Other financial assets (note 9)	38,41,321	38,41,321
Total	4,14,60,143	4,14,60,143
Financial liabilities		
Measured at amortized cost (carrying value approximates the amortized cost) :		
Borrowings (note 13)	28,53,04,554	28,53,04,554
Other financial liabilities (note 14 & 15)	24,97,85,718	24,97,85,718
Total	53,50,90,272	53,50,90,272

The Company has assessed that cash and cash equivalents, trade receivables, bank balance, other financial assets, borrowings and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term Borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

28 Financial risk management objectives and policies

(A) Market risk

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

The Company's activities expose it to market risk, liquidity risk and credit 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 Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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) Foreign exchange risk	Committed commercial transactions, financial assets and liabilities not denominated in Rs	Cashflow forecasting, sensitivity analysis	Forward foreign exchange contracts
b) 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 and other financial assets	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other financial liabilities	Rolling cashflow, Forecasts	Borrowing facilities diversification

Details relating to the risks are provided here below:

(i) Foreign Currency Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to import of modules, wherever required.

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies. It uses derivative instruments like forward covers/swap to hedge exposure to foreign currency risk.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure. The details of the foreign currency exposure and its carrying value are as follows:

Outstanding foreign currency exposure	As at 31 March 2021	
	USD	Rs
Interest on supplier's credit	4,522	3,32,385
Supplier's credit	35,90,808	26,39,41,276

Foreign currency sensitivity analysis

5% increase in foreign exchange rates will decrease profit before tax and decrease pre tax equity by Rs 54,00,182. If the rate is decreased by 5%, the profit before tax and pre tax equity will increase by an equal amount.

(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 28,73,937. If the rate is decreased by 1%, the profit before tax will increase and pretax 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 principal customer UltraTech Cement 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 on the basis of its historical credit loss experience 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 2021 is Rs 19,52,465.

b. Cash and cash equivalents and bank deposits

Credit risk on cash and cash equivalents and bank deposits is generally low as the Company 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.

(in Rs)					
As at 31 March 2021	upto 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	3,62,11,606	2,81,64,583	22,30,17,512	28,73,93,701
Other financial liabilities	24,13,12,476	-	-	-	24,13,12,476
Total	24,13,12,476	3,62,11,606	2,81,64,583	22,30,17,512	52,87,06,177

(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 capital and all other equity reserves attributable to the equity holders.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loan and borrowings, less cash and cash equivalents, excluding discontinued operations.

(in Rs)	
Particulars	As at 31 March 2021
Borrowings (note 13)	28,53,04,554
Less: Cash and cash equivalents (note 7)	66,66,357
Net debt	27,86,38,197
Equity (note 11 and 12)	12,65,22,742
Gearing ratio	2.20

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 networth ratio, fixed asset coverage ratio and debt service reserve account which are required to be maintained by the Company as per the terms and conditions of the loan agreement.

29 Cash flow hedge

The Company's business objective includes safe-guarding its foreign exchange borrowings against adverse foreign exchange movements. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments include forward contracts, swaps and other instruments to achieve this objective. The Company has taken derivative instruments (currency swaps and interest rate swaps) to hedge its foreign currency exposure.

The details of derivative contracts outstanding as at 31 March 2021 is as follows:

Non current	Hedged item	Risk hedged	Nominal value		Carrying value of hedging instrument		Expected maturity
			USD	Rs	Asset	Liability	
Cashflow hedges							
Currency swap	Suppliers credit	Exchange rate movement risk	35,90,808	26,28,42,060	-	75,57,523	September 2023
Interest rate swap	Interest on suppliers credit	Interest rate risk	4,522	3,34,715	-	9,15,719	September 2023

The line item in the Balance Sheet that includes the above hedging instruments is 'Other Financial Liabilities'

Movement in hedge reserve account

Cashflow hedge reserve account	(in Rs)		
	Realised	Unrealised	Total
Balance at the beginning of the period	-	-	-
Add: Changes in fair value during the period*	-	84,73,242	84,73,242
Less: Amount reclassified to statement of profit or loss	-	-	-
Closing balance	-	84,73,242	84,73,242

* This represents movement in derivative liability.

30 Financial instruments - fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular the valuation techniques and inputs used).

Fair value hierarchy

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 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

(in Rs)		
Particulars	Level	As at 31 March 2021
Derivative liability at fair value through OCI	Level 2	84,73,242
Key inputs for Level 2 fair valuation technique	Discounted cash flow. Future cash flows are estimated based on	
Significant unobservable input	Not Applicable	
Relationship of unobservable input to fair value	Not Applicable	

31 Capital commitments

Particulars	As at 31 March 2021
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	5,08,48,028
Total	5,08,48,028

32 There are no contingent liabilities as at 31 March 2021.

33 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on 31 March 2021. The 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.

34 Prior period comparatives

The Company has been incorporated on 13 April 2020. 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

VIJAY MANIAR

Digitally signed by VIJAY
MANIAR
Date: 2021.04.22 23:34:57
+05'30'

Per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

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

**Pawan
Kumar Jain**

Digitally signed by
Pawan Kumar Jain
Date: 2021.04.22
21:23:57 +05'30'

Pawan Kumar Jain

Director

DIN:07833315

**Ram
Kishore
Dwivedi**

Digitally signed by
Ram Kishore
Dwivedi
Date: 2021.04.22
21:36:33 +05'30'

Ram Kishore Dwivedi

Chief Financial Officer

**AMITABH
VERMA**

Digitally signed by
AMITABH VERMA
Date: 2021.04.22 21:24:38
+05'30'

Amitabh Verma

Director

DIN:08990619

**MAITRI
SHAH**

Digitally signed by
MAITRI SHAH
Date: 2021.04.22
22:28:51 +05'30'

Maitri Shah

Company Secretary

Membership No.: ACS 44236

Place: Mumbai

Date: 22 April 2021

**ADITYA BIRLA RENEWABLES SOLAR
LIMITED**

1ST ANNUAL REPORT

2020-21

ADITYA BIRLA RENEWABLES SOLAR LIMITED

Registered Office: A-2, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India

Corporate Identity Number: U40106MH2020PLC339323

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

Email id: abresl@adityabirla.com

BOARD OF DIRECTORS' REPORT

To

The Members of the Company

Aditya Birla Renewables Solar Limited

Your Directors have pleasure in presenting the 1st (first) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(Amount in Rupees)

Particulars	For the financial year ended March 31, 2021 i.e. from 10.04.2020 to 31.03.2021
Total Income	0
Less : Total Expenses	33,51,818
Profit/ (Loss) before Tax	(33,51,818)
Tax Expenses	
Current Tax	-
MAT credit entitlement	
Deferred Tax	
Profit/ (Loss) after Tax (A)	(33,51,818)
Other Comprehensive Income/ (Loss) (B)	-
Total Comprehensive Income/ (Loss) for the Period (A+B)	(33,51,818)

2. State of the Company's affairs

The Company was incorporated on April 10, 2020 for setting up of various captive solar power plants for Hindalco Industries Limited. Currently all the four solar power plants awarded to the Company viz. (1) Mahan – 25 MW AC (35 MWp DC) in the State of Madhya Pradesh, (2) Renukoot – 0.8 MW AC (1.0 MWp DC) in the State of Uttar Pradesh, (3) Renusagar – 1.5 MW AC (2.0 MWp DC) in the State of Uttar Pradesh and (4) Taloja – 3.125 MW AC (4.2 MWp DC) in the State of Maharashtra, are under planning and development stage. Engineering, Procuring and Construction (EPC) for Mahan – 25 MW AC (35 MWp DC) solar power project of the Company has been finalized.

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, 2021.

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, 2021 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

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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 2020-21, 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, 2021, 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 was no change in the nature of business of the Company during the financial year ended on March 31, 2021.

9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

i. Authorized Share Capital:

Rs. 28,00,00,000 (Rupees Twenty-Eight Crore Only) divided into 2,80,00,000 (Two Crore Eighty Lakh) Equity shares of Rs. 10 each.

ii. Issued, Paid-up and Subscribed Capital:

Rs. 50,00,000 (Rupees Fifty Lakh Only) divided into 5,00,000 (Five Lakh) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, were the First Directors of the Company since incorporation of the Company. Further, during the financial year 2020-21 the composition of the Board of Director of the Company changed as follows:

- Mr. Ravinder Khanna ceased to be Director upon his sad demise on March 14, 2021.
- Mr. Amitabh Verma appointed as an Additional Director w.e.f. March 20, 2021 to hold the office upto the date of the ensuing Annual General Meeting.

All the Directors of your Company have given requisite declarations 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, 2021 and attendance of the Directors at such meetings are as under:

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Board of Directors Meetings

Name of Director	Attendance at the Board of Directors Meetings held during the financial year 2020-21 (DD/MM/YY)			
	24/04/20	23/07/20	29/10/20	25/01/21
Mr. Ravinder Khanna	✓	✓	✓	✓
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, 2021, 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 loss 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; and
- 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 2020-21, the paid up share capital of the Company was Rs. 50,00,000 (Rupees Fifty 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 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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 2020-21, 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.

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16. Disclosure of issue of sweat equity shares

During the financial year 2020-21, 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 (Share Capital 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 2020-21, no Key Managerial Personnel were 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 2020-21, 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.

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 2020-21, 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

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appointment of Directors, Directors qualifications, positive attributes, and other related matters as provided under section 178(3) of the Companies Act, 2013.

24. Statutory Auditors

During the financial year 2020-21, the Board of Directors at its meeting held on April 24, 2020 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 06, 2021 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. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

27. Cost Record

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21, the Company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21, 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.

29. 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 April 24, 2020 and is available at the registered office of the Company. 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.

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

During the financial year 2020-21, the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013:

ADITYA BIRLA RENEWABLES SOLAR LIMITED

Registered Office: A-2, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India

Corporate Identity Number: U40106MH2020PLC339323

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

Email id: abresl@adityabirla.com

- | | | |
|-------|---|------------------|
| (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 |

31. 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.

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.

33. Risk Management

Your Company recognizes that Risk is an integral part of business and is committed to managing the risk in a proactive 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 April 24, 2020. 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 |

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- | | |
|---|-------|
| (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 2020-21, 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 April 10, 2020, the revision of Financial Statements or Board of Directors Report of preceding three financial years is not applicable to the Company.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

40. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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41. 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 2020-21.

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




(Amitabh Verma)

Director

DIN: 08990619


(Pawan Kumar Jain)

Director

DIN: 07833315

Place: Mumbai

Date: May 06, 2021

ADITYA BIRLA RENEWABLES SOLAR LIMITED

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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 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 arrangements 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 Fee;	Grasim Industries Limited	Ultimate Holding Company	Short term Contract	Project Management Fee for Mahan Solar Power Project for contract value of Rs. 4,85,09,429	Date of Initial Approval July 23, 2020 Date of Contract March 12, 2021 Date of noting by the Board May 06, 2021	N.A.

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




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director
DIN: 07833315

Place: Mumbai

Date: May 06, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables Solar 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 Solar Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 period from 10 April 2020 to 31 March 2021, 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 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period 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 Ind AS 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 Auditors' 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 Ind AS 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.



Aditya Birla Renewables Solar Limited
Independent Auditor's Report

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 Ind AS 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.

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the period ended 31 March 2021 was not required to be paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACV3182
Place of Signature: Mumbai
Date: 06 May 2021

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

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 assets under construction.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, as per the program, there was no plan to undertake physical verification of assets under construction by the management during the period under audit and hence we are unable to comment on the discrepancies, if any.
- (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 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 services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of custom, 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, 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, duty of custom, service tax, duty of excise and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, cess, which have not been deposited on account of any dispute. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of custom, service tax, duty of excise and value added tax are not applicable to the Company

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

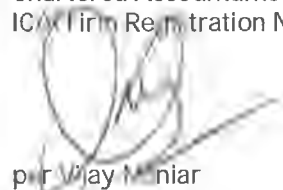
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution and banks. The Company has not issued any debentures.
- (ix) According to the information and explanations given 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 period.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration was not required to be paid / provided in accordance with the provisions of section 197 read with Schedule V to the Act.
- (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 period 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.



Aditya Birla Renewables Solar Limited
Independent Auditor's Report

- (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



P. Jay Meniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACV3182
Place of Signature: Mumbai
Date: 06 May 2021

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables Solar Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the period 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

Aditya Birla Renewables Solar Limited
Independent Auditor's Report

(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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number: 324982E/E300003



per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACV3182
Place of Signature: Mumbai
Date: 06 May 2021

Aditya Birla Renewables Solar Limited
CIN: U40106MH2020PLC339323
Balance sheet as at 31 March 2021

(in Rs.)

Particulars	Notes	As at 31 March 2021
Assets		
Non current assets		
Capital work in progress	3	31,94,863
Other non current assets	4	3,11,11,870
		3,43,06,733
Current assets		
Financial assets		
Cash and cash equivalents	5	3,42,139
Other financial assets	6	10,000
		3,52,139
Total assets		3,46,58,872
Equity and liabilities		
Equity		
Equity share capital	7	50,00,000
Other equity	8	(33,51,818)
		16,48,182
Liabilities		
Current liabilities		
Financial liabilities		
Borrowings	9	3,20,00,000
Other financial liabilities	10	9,69,415
Other current liabilities	11	41,275
		3,30,10,690
Total liabilities		3,30,10,690
Total equity and liabilities		3,46,58,872

Summary of significant accounting policies

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

Urm Registration No.: 324982E/E300003


Charan Kumar
Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

For and on behalf of Board of Directors of

Aditya Birla Renewables Solar Limited


Amitabh Verma
Director
DIN:08990619


Pawan Kumar Jain
Director
DIN: 07833315

Place: Mumbai
Date: 6 May 2021

Aditya Birla Renewables Solar Limited
CIN: U40106MH2020PLC339323
Statement of profit and loss for the period ended 31 March 2021

(in Rs.)		
Particulars	Notes	For the period from 10 April 2020 to 31 March 2021
Income		
Revenue from operations		-
Other income		-
Total		-
Expenses		
Other expenses	12	33,51,818
Total expenses		33,51,818
Loss for the period before tax		(33,51,818)
Tax expenses		
Current tax	22	-
Deferred tax		-
Total tax expense		-
Loss for the period after tax		(33,51,818)
Other comprehensive income for the period		-
Total comprehensive income for the period		(33,51,818)
Earnings per equity share of Rs 10 each		
Basic and diluted	13	(43.48)

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

2

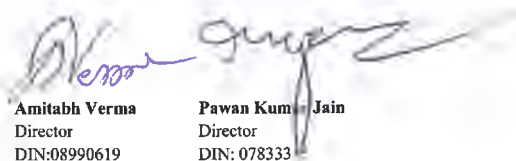
As per our report attached of even date

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



Pankaj Kumar
Membership No.: 36738
Place: Mumbai
Date: 6 May 2021

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



Amitabh Verma
Director
DIN: 08990619

Pawan Kumar Jain
Director
DIN: 078333

Place: Mumbai
Date: 6 May 2021

Aditya Birla Renewables Solar Limited
CIN: U40106MH2020PLC339323
Cash flow statement for the period ended 31 March 2021

(in Rs.)	
Particulars	For the period from 10 April 2020 to 31 March 2021
Cash flow from operating activities	
Loss for the period before tax as per the statement of profit and loss	(33,51,818)
Adjustments for:	
Stamp duty on issue of shares	26,25,000
Operating loss before working capital changes	(7,26,818)
Working capital adjustments	
Increase in other financial liabilities	8,41,007
Increase in other financial assets	(10,000)
Increase in other current liabilities	41,275
Cash generated from operating activities	1,45,464
Income taxes paid	-
Cash generated from operating activities	1,45,464
Cash flow from investing activities	
Purchase of tangible assets including capital work in progress	(3,40,33,329)
Cash used in investing activities	(3,40,33,329)
Cash flow from financing activities	
Proceeds from issue of equity shares	50,00,000
Stamp duty on issue of shares	(26,25,000)
Proceeds from inter corporate loan	11,60,00,000
Repayment of inter corporate loan	(8,40,00,000)
Interest paid	(1,44,996)
Cash generated from financing activities	3,42,30,004
Net increase in cash and cash equivalents	3,42,139
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at the end of the period (note 5)	3,42,139

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

(in Rs.)	
Particulars	As at 31 March 2021
Balance with banks	
On current accounts	3,42,139
Total	3,42,139

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.

Reconciliation of liabilities from financing activities for the period ended 31 March 2021

Particulars	As at 10 April 2020	Cashflows (net)	Non cash changes	As at 31 March 2021
Borrowings-non-current	-	-	-	-
Other financial liabilities (current maturity of long term debt)	-	-	-	-
Borrowings-current	-	3,20,00,000	-	3,20,00,000
Total	-	3,20,00,000	-	3,20,00,000

Summary of significant accounting policies (note 2)

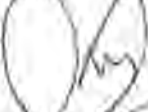
The accompanying notes are an integral part of these financial statements.

As per our report attached of even date

For SRBC & CO LLP

Chartered Accountants

(Firm Registration No.: 324982E/E300003)



Perveen Khan

Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

For and on behalf of Board of Directors of

Aditya Birla Renewables Solar Limited



Amitabh Verma

Director

DIN:08990619

Place: Mumbai

Date: 6 May 2021



Pawan Kumar Jain

Director

DIN: 07833315

Aditya Birla Renewables Solar Limited

CIN: U40106MH2020PLC339323

Statement of changes in equity for the period ended 31 March 2021**A) Equity Share Capital**

Particulars	Number of shares	Amount (in Rs)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Issue of equity share capital (note 7)	5,00,000	50,00,000
As at 31 March 2021	5,00,000	50,00,000

B) Other equity**(in Rs)**

Particulars	Surplus in the statement of profit & loss	Total
As at 10 April 2020		
Loss for the period (note 8)	(33,51,818)	(33,51,818)
As at 31 March 2021	(33,51,818)	(33,51,818)

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 Registration No.: 324982E/E300003



per Pankaj Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

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

Amitabh Verma

Director

DIN:08990619


Pawan Kumar Jain

Director

DIN: 07833315

Place: Mumbai

Date: 6 May 2021

Aditya Birla Renewables Solar Limited

CIN: U40106MH2020PLC339323

Notes to financial statements for the period ended 31 March 2021

1. Corporate information

Aditya Birla Renewables Solar Limited ('the Company') is a public limited Company incorporated on 10 April 2020 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 Hindalco Industries Limited is an associate of the Company with 26% shareholding.

The primary business of the Company is to generate and supply electricity through solar power to plants of Hindalco Industries Limited for captive consumption purpose.

The financial statements were authorized for issue in accordance with a resolution of the directors on 6 May 2021.

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 Company is currently in project implementation phase and has payables towards inter corporate loan which it intends to pay within twelve months from the end of the reporting period by way of raising equity as approved by the Board of Directors in their meeting held on 28 April 2021. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

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

Aditya Birla Renewables Solar Limited

CIN: U40106MH2020PLC339323

Notes to financial statements for the period ended 31 March 2021

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.

Aditya Birla Renewables Solar Limited

CIN: U40106MH2020PLC339323

Notes to financial statements for the period ended 31 March 2021

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 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 Solar Limited

CIN: U40106MH2020PLC339323

Notes to financial statements for the period ended 31 March 2021

3 Capital work in progress

The details of capital work in progress are as follows:

(in Rs)

Particulars	As at 31 March 2021
Mahan (35 MWp DC)	28,67,621
Renukot (1 MWp DC)	700
Renusagar (2 MWp DC)	700
Taloja (4.2 MWp DC)	3,25,842
Total	31,94,863

Capitalised borrowing costs

During the period ended 31 March 2021, the amount of borrowing costs capitalised is Rs 1,58,445. The rate used to determine the amount of borrowing costs eligible for capitalisation is mentioned in note 9.

4 Other non current assets

(in Rs)

Particulars	As at 31 March 2021
Capital advances	3,11,11,870
Total	3,11,11,870

5 Cash and cash equivalents

(in Rs)

Particulars	As at 31 March 2021
Balance with banks	
On current accounts	3,42,139
Total	3,42,139

6 Other financial assets

(in Rs)

Particulars	As at 31 March 2021
Security deposits (unsecured, considered good)	10,000
Total	10,000

7 Equity share capital**(in Rs)**

Particulars	As at 31 March 2021
Authorised share capital	
2,80,00,000 equity shares of Rs 10 each	28,00,00,000
	28,00,00,000
Issued equity capital	
5,00,000 equity shares of Rs 10 each issued, subscribed and fully paid	50,00,000
	50,00,000

(a) Reconciliation of issued share capital**(in nos.)**

Particulars	As at 31 March 2021
Issue of shares during the period	5,00,000
Number of shares outstanding at the end of the period	5,00,000

(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.

Aditya Birla Renewables Limited is the holding company with 74% shareholding and Hindalco Industries 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.

Shares held by Holding Company:

Name of shareholder	As at 31 March 2021	
	Number of shares	Amount (in Rs.)
Aditya Birla Renewables Limited	3,70,000	37,00,000

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

Name of shareholder	As at 31 March 2021	
	Number of shares	% holding
Aditya Birla Renewables Limited	3,70,000	74%
Hindalco Industries Limited	1,30,000	26%
Total	5,00,000	100%

8 Other equity**(in Rs)**

Particulars	As at 31 March 2021
Loss for the period	(33,51,818)
Total	(33,51,818)

9 Borrowings

(in Rs)

Particulars	As at 31 March 2021
Unsecured	
Current	
Inter corporate loan	3,20,00,000
Total	3,20,00,000

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Unsecured				
Inter corporate loan				
Aditya Birla Renewables Limited	3,20,00,000	3,20,00,000	8.25%	September 2021

10 Other financial liabilities

(in Rs)

Particulars	As at 31 March 2021
Liability for capital expenditures	1,15,027
Provision for expenses	5,47,211
Other payables	61,301
Interest accrued but not due on borrowings	13,381
Payable to related parties (note 15)	
- Reimbursement of expenses	2,32,495
Total	9,69,415

11 Other current liabilities

(in Rs)

Particulars	As at 31 March 2021
Statutory liabilities:	
- Tax deducted at source	41,275
Total	41,275

12 Other expenses (in Rs)	
Particulars	For the period from 10 April 2020 to 31 March 2021
Legal and professional fees	43,085
Payment to auditors (refer note below)	4,72,000
Stamp duty on shares	26,25,000
Incorporation expenses	1,78,431
Rates and taxes	9,560
Miscellaneous expenses	23,742
Total	33,51,818

(in Rs)	
Payment to auditors	For the period from 10 April 2020 to 31 March 2021
As auditor	
Audit fees	4,72,000
Total	4,72,000

13 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit/loss 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 /loss 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 10 April 2020 to 31 March 2021
Loss attributable to equity holders (in Rs)	(33,51,818)
Weighted average number of equity shares for basic and diluted EPS	77,087
Basic and diluted earnings per share (in Rs)	(43.48)

14 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 19)
- Capital management (note 19)

a) 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 Agreements (PPAs) entered into with its customer, Hindalco Industries 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.

b) 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.

i) 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.

ii) 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.

iii) Recognition and measurement of provisions and contingencies

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

15 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the period :

(A) Holding Company

Aditya Birla Renewables Limited (74%)

(B) Ultimate Holding Company

Grasim Industries Limited (through its 100% holding in Aditya Birla Renewables Limited)

(C) Associate Company

Hindalco Industries Limited (26%)

(D) Key Managerial personnel

Mr. Ravinder Khanna, Director (upto 14 March 2021)

Mr. Pavan Kumar Jain, Director

Mr. Pawan Kumar Jain, Director

Mr. Amitabh Verma, Director (w.e.f. 20 March 2021)

Details of transactions with related parties:		(in Rs.)
Sr. No.	Particulars	For the period from 10 April 2020 to 31 March 2021
1	Allotment of equity shares	
	Aditya Birla Renewables Limited	37,00,000
	Hindalco Industries Limited	13,00,000
		50,00,000
2	Reimbursement of expenses	
	Aditya Birla Renewables Limited	6,27,990
3	Inter corporate loan taken	
	Aditya Birla Renewables Limited	
	Principal	8,40,00,000
	Interest capitalised in capital work in progress	91,315
		8,40,91,315
4	Inter corporate loan repaid	
	Aditya Birla Renewables Limited	
	Principal	5,20,00,000
	Interest paid	76,849
		5,20,76,849

Details of closing balances :		(in Rs.)
Sr. No.	Particulars	As at 31 March 2021
1	Share capital	
	Aditya Birla Renewables Limited	37,00,000
	Hindalco Industries Limited	13,00,000
		50,00,000
2	Inter corporate loan taken	
	Aditya Birla Renewables Limited	
	Principal	3,20,00,000
	Interest accrued (net of TDS)	13,381
		3,20,13,381
3	Payable towards reimbursement of expenses	
	Aditya Birla Renewables Limited	2,32,495

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 2021. 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.

16 Segmented information

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.

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

Particulars	(in Rs) As at 31 March 2021
Principal amount due to micro enterprises and small enterprises	1,59,491
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.

18 Categories of Financial Instruments

Particulars	(in Rs)	
	Carrying value As at 31 March 2021	Fair value As at 31 March 2021
Financial assets		
Measured at amortized cost (carrying values approximates the amortized cost):		
Cash and cash equivalents (note 5)	3,42,139	3,42,139
Other financial assets (note 6)	10,000	10,000
Financial liabilities		
Measured at amortized cost (carrying values approximates the amortized cost):		
Borrowings (note 9)	3,20,00,000	3,20,00,000
Other financial liabilities (note 10)	9,69,415	9,69,415

The Company has assessed that cash and cash equivalents, other financial assets, borrowings and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

19 Financial risk management objectives and policies

(A) Market Risk

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

The Company's activities expose it to market risk, liquidity risk and credit 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
Market Risk		
a) Interest rate risk	Long-Term Borrowings at variable rates	Sensitivity Analysis, Interest Rate Movements
Credit risk	Trade Receivables	Ageing Analysis, Credit Rating
Liquidity risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts

Details relating to the risks are provided here below:

(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 increase loss before tax and decrease pre tax equity by Rs 3,20,000. If the rate is decreased by 1%, the loss before tax will reduce and pretax 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 and foreign exchange transactions.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Cash and cash equivalents, bank deposits and derivative instruments

Credit Risk on cash and cash equivalents, deposits, derivative instruments 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.

(in Rs.)					
As at 31 March 2021	Less than 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Total
Borrowings	-	3,20,00,000	-	-	3,20,00,000
Other financial liabilities	9,69,415	-	-	-	9,69,415
Total	9,69,415	3,20,00,000	-	-	3,29,69,415

(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 capital 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 equivalent divided by total equity.

(in Rs.)	
Particulars	As at 31 March 2021
Borrowings (note 9)	3,20,00,000
Less: Cash and cash equivalents (note 5)	3,42,139
Net debt	3,16,57,861
Equity (note 7 and 8)	16,48,182
Equity	16,48,182
Gearing ratio	19.21

20 Capital commitments

Particulars	(in Rs) As at 31 March 2021
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	1,16,86,10,306
Total	1,16,86,10,306

- 21 There is no contingent liabilities outstanding as at 31 March 2021.
- 22 In accordance with the requirements of Ind AS -12 "Income Taxes", the Company has not recognised deferred tax assets on account of losses as there is no virtual certainty on its realisation as at the reporting date.
- 23 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on 31 March 2021. The 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.
- 24 **Prior period comparatives**
The Company has been incorporated on 10 April 2020. 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

Membership No.: 324982E/E300003



Mr. Virey Kumar

Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

For and on behalf of the Board of Directors

Aditya Birla Renewables Solar Limited



Amitabh Verma

Director

DIN:08990619



Pawan Kumar Jain

Director

DIN: 07833315

Place: Mumbai

Date: 6 May 2021

**ADITYA BIRLA RENEWABLES
SPV 1 LIMITED**

4TH ANNUAL REPORT

2020-21

ADITYA BIRLA RENEWABLES SPV 1 LIMITED

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

Corporate Identity Number: U40300MH2017PLC296313

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

Email: abrespv@adityabirla.com

BOARD OF DIRECTORS' REPORT

To

The Members of the Company
Aditya Birla Renewables SPV 1 Limited

Your Directors have pleasure in presenting the 4th (fourth) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(Amount in Rupees)		
Particulars	For the Financial Year ended 31.03.2021	For the Financial Year ended 31.03.2020
Total Income	31,80,56,358	24,76,17,009
Less : Total Expenses	27,08,26,905	20,54,22,025
Profit/(Loss) Before Tax	4,72,29,453	4,21,94,984
Tax Expenses	(4,76,13,169)	7,46,78,501
Profit/(Loss) After Tax (A)	9,48,42,622	(3,24,83,517)
Other Comprehensive Income/(Loss) (B)	(67,08,004)	(1,56,05,839)
Total Comprehensive Income/(Loss) for the year (A+B)	8,81,34,618	(4,80,89,356)

2. State of the Company's affairs

During the financial year 2020-21, the Company has successfully commissioned 2 (two) captive solar power plants for UltraTech Cement Limited as follows and the same are operating satisfactorily:

Sr. No.	Name of the Project, Capacity and Location
1	Baikunth - 11.05 MWp DC Baikuth Cement Works at Baikuth Township, Raipur District, Chhattisgarh, India
2	Andhra Pradesh - 9.625 MWp DC Andhra Pradesh Cement Works at Tadipatri, Balaji Cement Works, Andhra Pradesh, India

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The following existing solar power plants of the Company which were commissioned earlier are also operating satisfactorily:

Sr. No.	Name of the Project, Capacity and Location
1	Pune - 973 KWp DC Pune Bulk Terminal, Tah- Haveli, Village- Peth (Naygaon), Dist- Pune, Maharashtra
2	Hotgi - 973 KWp DC Hotgi Cement Works, Village- Hotgi, District- Solapur, Maharashtra
3	Gotan - 6.0 MWp DC Kharia Khangar Plant at D-7, Shastri Nagar, Jodhpur, Rajasthan
4	Sewagram - 5 MWp DC Village: Vayor, Taluka: Abdasa, Dist.: Kutch, Gujarat, India
5	Bijapur - 8MWp DC Village: Devar Nimbargi, Taluka: Indi Taluka, District: Bijapur, Karnataka, India
6	Hirmi - 6.25 MWp DC Village: Hirmi, PO: Hirmi, Tehsil: Simga, District: Baloda Bazar- Bhatapara, Chhattisgarh, India
7	Rawan - 12.5 MWp DC Grasim Vihar Village, PO: Rawan, Tehsil: Simga, District: Baloda Bazar- Bhatapara, Chhattisgarh, India
8	Rajashree - 17.5 MWp DC Rajashree Cement Works, Aditya Nagar, Malkhed Road, Tehsil: Sedam, District: Gulbarga, Karnataka, India

The Solar PV Power Plant employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 9,10,51,788 units during the year. The revenue from operations of the Company was Rs. 30,96,55,220 during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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, 2021.

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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, 2021 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 2020-21, 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 venture companies as on March 31, 2021, 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, 2021.

9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

- i. Authorized Share Capital:
Rs. 64,00,00,000 (Rupees Sixty-Four Crore Only) divided into 6,40,00,000 (Six Crore Forty Lakh) Equity shares of Rs. 10 each.
- ii. Issued Paid-up and Subscribed Capital:
Rs. 62,61,02,400 (Rupees Sixty-Two Crore Sixty-One Lakh Two Thousand Four Hundred Only) divided into 6,26,10,240 (Six Crore Twenty-Six Lakh Ten Thousand Two Hundred Forty Only) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mrs. Pinky Atul Mehta and Mr. Pawan Kumar Jain, were the Directors of the Company since incorporation of the Company. Further, during the year, Mr. Ravinder Khanna ceased to be a Managing Director due to his untimely and sad demise on March 14, 2021. Subsequently, Company has appointed Mr. Amitabh Verma as an Additional Director (Non-Executive) of the Company with effect from April 22, 2021 to hold office upto the date of ensuing Annual general meeting. All the Directors of your Company including Independent Directors have given requisite declarations pursuant to section 164 of the Companies Act, 2013 that they are not disqualified to be appointed as Directors of your Company.

Independent Directors:

Mr. Bhupendranath Bhargava and Mr. V. Chandrasekaran (DIN:03126243) are the Independent and Non-Executive Directors of the Company on the Board of Directors of the Company for a term of 5 (five) years commencing from April 8, 2019 to April 7, 2024.

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The Board of Directors of the Company are of the opinion that the Independent Directors of the Company are people of integrity and they hold eminent expertise and relevant experience to be appointed as the Independent Director of the Company.

Further, the Company has received the necessary declarations for the financial year 2021-22 from Mr. Bhupendranath Bhargava and Mr. V. Chandrasekaran, the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

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, 2021 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 2020-21 (DD/MM/YY)			
	07-05-2020	20-07-2020	17-10-2020	15-01-2021
Mr. Pawan Kumar Jain	√	√	√	√
Mrs. Pinky Atul Mehta	√	√	√	√
Mr. Ravinder Khanna	√	√	√	√
Mr. Bhupendranath Bhargava				
Mr. V Chandrasekaran				

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

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

The Company has constituted Audit Committee and Nomination and Remuneration Committee of the Board of Directors since April 8, 2019 pursuant to provisions of section 177 and 178 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors Rules) 2014 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Further, Mr. Ravinder Khanna ceased to be member of the Audit Committee w.e.f. March 14, 2021 upon his sad demise and subsequently Mr. Amitabh Verma was inducted as a member of the Audit Committee w.e.f. April 22, 2021.

The composition and details of number of meetings of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company are given below.

A) Audit Committee:

Audit Committee Composition:

Committee Member	Designation
Mr. V. Chandrasekaran	Chairman
Mr. Bhupendranath Bhargava	Member
Mr. Ravinder Khanna (upto March 14, 2021)	Member
Mr. Amitabh Verma (w.e.f. April 22, 2021)	Member

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The details of number of meetings of the Audit Committee held during the financial year ended on March 31, 2021 and attendance of the Committee members at such meetings are as under:

Audit Committee Meetings:

Name of Committee Member	Attendance at the Audit Committee Meetings held during the financial year 2020-21 (DD/MM/YY)			
	07-05-2020	20-07-2020	17-10-2020	15-01-2021
Mr. Ravinder Khanna	√	√	√	√
Mr. Bhupendranath Bhargava	√	√	√	√
Mr. V Chandrasekaran	√	√	√	√

B. Nomination and Remuneration Committee:

Nomination and Remuneration Committee Composition:

Committee Member	Designation
Mr. Bhupendranath Bhargava	Chairman
Mr. V. Chandrasekaran	Member
Mr. Pawan Kumar Jain	Member

The details of number of meetings of the Nomination and Remuneration Committee held during the financial year ended on March 31, 2021 and attendance of the Committee members at such meetings are as under:

Nomination and Remuneration Committee (NRC) Meetings:

Name of Committee Member	Attendance at the NRC Meeting held during the financial year 2020-21 (DD/MM/YY)	
	15-01-2021	
Mr. Pawan Kumar Jain	√	
Mr. Bhupendranath Bhargava	√	
Mr. V Chandrasekaran	√	

13. 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, 2021, 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

ADITYA BIRLA RENEWABLES SPV 1 LIMITED

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14. Corporate Social Responsibility (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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 2020-21, 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 2020-21, 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 (Share Capital 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 the financial year 2020-21, following were the Key Managerial Personnel of the Company:

Mr. Ravinder Khanna*	:	Managing Director
Mr. Pawan Kumar Jain	:	Chief Financial Officer
Ms. Swati Patil	:	Company Secretary

*Mr. Ravinder Khanna ceased to be a Managing Director of the Company due to his untimely and sad demise on March 14, 2021.

20. Establishment of vigil mechanism

The Board of Directors at their meeting held on April 23, 2019 had adopted a revised Whistle Blower Policy/Vigil Mechanism ("the Policy" or "this Policy") of the Company. The vigil mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the vigil mechanism. Further there is a provision to access Chairman of the Audit Committee directly in exceptional cases. Further, there were no alleged wrongful conduct received/noticed during the financial year ended on March 31, 2021.

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

Mr. Ravinder Khanna, Managing Director has not received any commission from the Company or its holding company during the financial year 2020-21 and as such, the disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

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. Performance evaluation of the Board, the Managing Directors and that of its Committees and the Individual Directors (including Independent Directors) of the company

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, performance of the Managing Director, its Committees and the Individual Directors including Independent Directors. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors.

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

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. The Remuneration Policy of the Company was adopted by the Company on April 23, 2019 as annexed to this report as **Annexure – A**.

25. Auditors

Statutory Auditors:

M/S. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) are appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 1st (first) Annual General Meeting till the conclusion of the 6th (sixth) Annual General Meeting.

Secretarial Auditors:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as Secretarial Auditor on May 7, 2020 in accordance with Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21.

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26. Auditors' Report

Statutory Audit 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.

Secretarial Audit Report:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as Secretarial Auditor to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines. The Secretarial Audit Report is provided in Form MR-3 as annexed to this report as **Annexure – B**. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

27. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

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

During the financial year 2020-21, the Company has given the following loans or guarantees or provided any security or made an investment pursuant to provisions of section 186 of the Companies Act, 2013:

Sr. No.	Name of the Company to whom loan/guarantee/security provided	Amount (in Rs.)	Outstanding as on March 31, 2021
1	Aditya Birla Renewables Limited – Loans provided in form of inter corporate deposit	2,00,00,000	-

29. 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 July 17, 2017 and is available at the registered office of the Company. 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 as annexed to this report as **Annexure – C** pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014.

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

During the financial year 2020-21, 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

31. 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.

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.

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 July 17, 2017. 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

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(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 –	

The foreign exchange earned in terms of actual inflows during the reporting period and the foreign exchange outgo during the reporting period in terms of actual outflows – USD 1,44,852.61 (Outflow).

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 2020-21, 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

There has been no revision of the Financial Statements or Board of Directors Report of preceding financial years of the Company.

38. Cost Records

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21 the company is not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

40. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

41. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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42. 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 2020-21.

**For and on behalf of the Board of Directors of
Aditya Birla Renewables SPV 1 Limited**




(Amitabh Verma)
Director
DIN: 08990619


(Parveen Kumar Jain)
Director & CFO
DIN: 07833315

Place: Mumbai
Date: April 22, 2021

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ANNEXURE – A

REMUNERATION POLICY OF

ADITYA BIRLA RENEWABLES SPV 1 LIMITED

1. PREFACE

- 1.1 Section 178 of the Companies Act, 2013 requires that the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. It further requires that the Nomination and Remuneration Committee shall formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 1.2 As per Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of directors of every listed public company and a company covered under Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 shall constitute a 'Nomination and Remuneration Committee of the Board'. Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 covers the following class or classes of companies:
 - (i) the Public Companies having paid up share capital of ten crore rupees or more; or
 - (ii) the Public Companies having turnover of one hundred crore rupees or more; or
 - (iii) the Public Companies which have, in aggregate, outstanding loans, debentures and deposits, exceeding fifty crore rupees
- 1.3 In view of above, Aditya Birla Renewables SPV 1 Limited ("ABReL SPV 1" or "Company"), has adopted this Remuneration Policy at the meeting of the Board of Directors of the Company held on April 23, 2019.

2. POLICY OBJECTIVE

- 2.1 The Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and growth oriented business market. The policy reflects the Company's objectives for good corporate governance as well as creating value for all stakeholders in long-term.
- 2.2 The Remuneration Policy applies to the Company's senior management, including its Key Managerial Personnel (KMP) and Board of Directors.

3. GUIDING PRINCIPLES

- 3.1 The guiding principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.
- 3.2 The remuneration policy for executives reflects the overriding remuneration philosophy and principles of the Company. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Remuneration Committee considers pay and employment conditions with peers/elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.
- 3.3 The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.

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- 3.4 The Remuneration Committee while considering a remuneration package must ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- 3.5 The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

4. REWARD PRINCIPLES AND OBJECTIVES

- 4.1 The Remuneration Policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, interalia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

5. REWARD POLICIES

- 5.1 **Attract and retain:** Remuneration packages are designed to attract high-calibre executives in a competitive market and remunerate executives fairly and responsibly. The Remuneration shall be competitive and based on the individual responsibilities and performance.
- 5.2 **Motivate and reward:** Remuneration is designed to motivate delivery of key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short and long-term.

6. COMPENSATION STRUCTURE

6.1 Remuneration to Executive Directors and Key Managerial Personnel (KMP)

The Company has a transparent framework in determining and accounting for remuneration of the Managing Director/Whole Time Directors (MD/WTDs) and Key Managerial Personnel (KMP). Their remuneration shall be governed by the external environment, track record, potential, individual performance and performance of the Company as well as industry standards. The remuneration for the MD/WTDs and KMP are subject to such approvals as prescribed pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.

The MD/WTDs and KMP may be paid such token remuneration and/or full/part remuneration as per group policy of the Company, taking into consideration various other factors related to such remuneration.

6.2 Remuneration to Non-Executive Directors and Independent Directors

The Non-Executive Independent Directors of the Company, are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors/Committees and are not paid any other remuneration or commission. The sitting fees paid to such directors for attending meetings of Board of Directors/Committees would be as may be recommended by Nomination and Remuneration Committee and thereafter approved by the Board of Directors of the Company from time to time. Besides sitting fees, such directors are also entitled to reimbursement of travelling and other expenses for attending the meeting of the Board of Directors. The other Non- Executive Directors/ Executive Directors shall not be paid any remuneration for attending the meetings of the Board of Directors or Committees thereof.

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6.3 Remuneration to other employees

The remuneration of employees other than Executive Directors, Key Managerial Personnel, Non-Executive Directors and Independent Directors is determined based on the industry scenario, qualification, experience, track record etc. The Managing Director or other senior management personnel periodically review and approve the revision in remuneration of such employees, after internal assessment and review.

The above criteria and policy are subject to review by the Nomination and Remuneration Committee and the Board of Directors of the Company

**For and on behalf of the Board of Directors of
Aditya Birla Renewables SPV 1 Limited**




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director & CFO
DIN: 07833315

Place: Mumbai
Date: April 22, 2021

Dilip Bharadiya
B.Com., A.C.A., F.C.S.
Proprietor

DILIP BHARADIYA & ASSOCIATES
COMPANY SECRETARIES

Phone : 91 - 22 - 2888 3756
Mobile : 91 - 98202 90360
Email : dilipbcs@gmail.com
: dilip@csdilip.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
ADITYA BIRLA RENEWABLES SPV 1 LIMITED
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Birla Renewables SPV 1 Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

On account of ongoing and evolving pandemic of COVID-19 and consequent lockdown as directed by the Central and State Government(s), the process of audit has been modified. Some of the documents /records /returns / registers /minutes were not verified physically, however, the documents were made available in electronic mode and were verified based on the representations received from the Company for its accuracy and authenticity. Our report also covers the due adherence of the miscellaneous circulars/ notifications/guidelines as issued by the regulatory bodies from time to time. Further we have verified books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure I, for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

Contd 2



: : 2 : :

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; to the extent applicable,
- (v) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"); to the extent applicable.

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The List of other Laws / Rules/ Regulations applicable to the Company is given in Annexure II.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The company is a Special Purpose Vehicle (SPV) incorporated with equity shareholding in the ratio of 74:26 amongst Aditya Birla Renewables Limited and UltraTech Cement Limited respectively. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions including resolutions passed by way of circulation of the Board of Directors are approved by the requisite majority and are duly recorded in the respective minutes.

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

Contd 3




: 3 :

We further report that, during the year under review, there were no instances pertaining to:

- i. Public/Right/Preferential issue of shares / debentures/sweat Equity, etc.
- ii. Redemption / buy-back of securities
- iii. Merger / amalgamation / reconstruction, etc.
- iv. Foreign technical collaborations

For DILIP BHARADIYA & ASSOCIATES



DILIP BHARADIYA

Proprietor

FCS No.: 7956, C P No.: 6740



Place : Mumbai

Date : April 22, 2021

UDIN : F007956C000133213

NOTE: This report is to be read with our letter of even date which is annexed as Annexure III and forms an integral part of this report.

ANNEXURE - I**List of documents verified:**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial period ended 31st March, 2020.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - Register of Directors & KMP
 - Register of Directors' Shareholding
 - Register of Contracts or arrangements in which directors are interested
 - Register of loans, guarantees and security and acquisition made by the Company
 - Agenda papers submitted to all the directors / members for the Board Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.



ANNEXURE - II

List of applicable Laws/ Rules/ Regulations of the company:

1. Electricity Act, 2003
2. Indian Electricity Rules 1956
3. Factories Act, 1948
4. The Rules, Regulations and applicable Orders under Central and State Electricity Regulatory Commission / Authority.



ANNEXURE - III

To,
The Members,
ADITYA BIRLA RENEWABLES SPV 1 LIMITED
MUMBAI

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

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

For DILIP BHARADIYA & ASSOCIATES



DILIP BHARADIYA
Proprietor
FCS No.: 7956, C P No.: 6740



Place : Mumbai
Date : April 22, 2021

ADITYA BIRLA RENEWABLES SPV 1 LIMITED

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

Corporate Identity Number: U40300MH2017PLC296313

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

Email: abrespv@adityabirla.com

ANNEXURE - C

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 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 Fee	Grasim Industries Limited	Ultimate holding Company	Short term Contract	Project Management Fee for Solar Power Project at Baikunth, Chhattisgarh. The Order Value for Contract is Rs. 1,54,40,000.	<u>Project Approval Date:</u> January 17, 2020 <u>Annual RPT Approval Date:</u> January 17, 2020 <u>Noting by Board Date:</u> July 20, 2020	Nil
2	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Ultimate holding Company	Short term Contract	Project Management Fee for Solar Power Project at Kadapa, Andhra Pradesh. The Order Value of the Contract for first year is Rs. 2,00,000.	<u>Project Approval Date:</u> January 17, 2020 <u>Annual RPT Approval Date:</u> January 17, 2020 <u>Noting by Board Date:</u> October 15, 2020	Nil

ADITYA BIRLA RENEWABLES SPV 1 LIMITED

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3	Land Lease Agreement	Aditya Birla Renewables Limited	Holding Company	10 (ten) Years	<p><u>Salient Terms:</u></p> <p>a) Land Lease agreement to lease approx. 55 acres owned by the Company for a period of 10 (ten) years (which can be extended further as maybe agreed between the Company and ABReL) with a first year rent not exceeding Rs. 30,000 (Rupees Thirty Thousand Only) per acre.</p> <p>b) 2% year on year escalation on the yearly lease rental for the duration of the lease agreement.</p> <p>c) The total value of the lease agreement not exceeding Rs. 1,90,00,000 (Rupees One Crore Ninety Lakh Only) approx.</p>	January 15, 2021	Nil
4	Supervision and Monitoring Service of O&M	Grasim Industries Limited	Ultimate holding Company	Short term Contract	<p>Project Management Fee for Solar Power Project at Kadapa, Andhra Pradesh.</p> <p>The Order Value for Contract is 1,72,258 per year.</p>	<p><u>Project Approval Date:</u> January 17, 2020</p> <p><u>Annual RPT Approval Date:</u> January 15, 2021</p> <p><u>Noting by Board Date:</u> April 22, 2021</p>	Nil

For and on behalf of the Board of Directors of
Aditya Birla Renewables SPV 1 Limited




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director & CFO
DIN: 07833315

Place: Mumbai
Date: April 22, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables SPV 1 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 SPV 1 Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 2021, 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 Ind AS 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 Auditors' 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 Ind AS 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.

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

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 Ind AS 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.

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended 31 March 2021 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

- (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

VIJAY
MANIAR

Digitally signed
by VIJAY MANIAR
Date: 2021.04.22
23:06:07 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACR8433
Place of Signature: Mumbai
Date: 22 April 2021

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

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, the title deeds of immovable properties included in property, plant and equipment are held in the name of 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, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (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 provident fund, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to 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, provident fund, 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 employees' state insurance, sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of custom and goods and service tax, cess, provident fund, which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, 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.

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

- (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 in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 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.
- (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.
- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY
Digitally signed
by VIJAY MANIAR
Date: 2021.04.22
23:08:32 +05'30'

MANIAR

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACR8433
Place of Signature: Mumbai
Date: 22 April 2021

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables SPV 1 Limited ("the Company") as of 31 March 2021 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

Aditya Birla Renewables SPV 1 Limited
Independent Auditor's Report

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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY
Digitally signed
by VIJAY MANIAR
Date: 2021.04.22
23:09:44 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACR8433
Place of Signature: Mumbai
Date: 22 April 2021

Balance Sheet as at 31 March 2021

(in Rs.)			
Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non current assets			
Property, plant and equipment	3A	2,70,14,60,295	2,09,25,07,109
Right of use assets	3B	11,91,729	3,73,248
Capital work in progress	3C	-	32,02,39,761
Other financial assets	4	2,17,56,338	-
Non current tax assets (net)	5	75,25,906	70,20,805
Other non current assets	6	-	1,52,16,244
		2,73,19,34,268	2,43,53,57,167
Current assets			
Financial assets			
Trade receivables	7	2,04,03,885	40,58,902
Cash and cash equivalents	8	7,13,82,268	20,51,19,013
Bank balances other than cash and cash equivalents	9	4,85,00,000	1,21,18,771
Other financial assets	10	3,68,06,825	2,94,19,558
Other current assets	11	78,43,957	48,24,314
		18,49,36,935	25,55,40,558
Total assets		2,91,68,71,203	2,69,08,97,725
Equity and liabilities			
Equity			
Equity share capital	12	62,61,02,400	62,61,02,400
Other equity	13	7,08,27,546	(1,73,07,072)
		69,69,29,946	60,87,95,328
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	14	2,05,32,57,347	1,88,91,53,022
Other financial liabilities	15	1,36,43,132	-
Deferred tax liabilities (net)	16	2,35,68,976	7,39,48,477
Provisions	17	9,44,796	-
		2,09,14,14,251	1,96,31,01,499
Current liabilities			
Financial Liabilities			
Trade payables	18		
Total outstanding dues of micro and small enterprises		5,35,823	7,71,542
Total outstanding dues of creditors other than micro and small enterprises		38,31,250	29,59,249
Other financial liabilities	19	12,35,27,617	11,44,70,047
Other current liabilities	20	5,63,335	8,00,060
Provisions	21	68,981	-
		12,85,27,006	11,90,00,898
Total liabilities		2,21,99,41,257	2,08,21,02,397
Total equity and liabilities		2,91,68,71,203	2,69,08,97,725

Summary of significant accounting policies

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

VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.04.22 23:11:02 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables SPV 1 Limited

AMITABH VERMA
Digitally signed by AMITABH VERMA
Date: 2021.04.22 22:19:37 +05'30'

Amitabh Verma

Director

DIN: 08990619

Swati

Prafullakumar Patil

Digitally signed by Swati Prafullakumar Patil
Date: 2021.04.22 22:19:09 +05'30'

Swati Patil

Company Secretary

Membership No. : ACS 61279

Place: Mumbai

Date: 22 April 2021

Pawan Kumar Jain
Digitally signed by Pawan Kumar Jain
Date: 2021.04.22 22:15:23 +05'30'

Pawan Kumar Jain

Director and CFO

DIN: 07833315

Statement of Profit & Loss for the year ended 31 March 2021

(in Rs.)			
Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	22	30,96,55,220	24,15,66,583
Other income	23	84,01,138	60,50,426
Total		31,80,56,358	24,76,17,009
Expenses			
Employee benefit expenses	24	67,02,550	-
Operation and maintenance expenses		2,38,66,472	1,55,83,559
Depreciation expenses	3	8,10,85,890	6,02,80,600
Finance costs	25	13,79,49,937	11,16,57,480
Other expenses	26	2,12,22,056	1,79,00,386
Total		27,08,26,905	20,54,22,025
Profit for the year before tax		4,72,29,453	4,21,94,984
Tax expenses			
Current tax		59,153	-
Deferred tax	16	(4,76,72,322)	6,82,81,117
MAT credit entitlement		-	63,97,384
Total tax expenses		(4,76,13,169)	7,46,78,501
Net profit/(loss) for the year		9,48,42,622	(3,24,83,517)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement gains/(losses) on defined benefit plans		(47,424)	-
Net movement on cash flow hedge		(93,67,759)	(2,03,38,181)
Income tax effect	16	27,07,179	47,32,342
Other comprehensive income for the year		(67,08,004)	(1,56,05,839)
Total comprehensive income for the year		8,81,34,618	(4,80,89,356)
Earnings per equity share of Rs 10 each			
Basic and diluted	27	1.51	(0.62)

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

VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.04.22 23:12:40 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 22 April 2021

**For and on behalf of the Board of Directors of
Aditya Birla Renewables SPV 1 Limited**

AMITABH VERMA
Digitally signed by AMITABH VERMA
Date: 2021.04.22 22:24:35 +05'30'

Amitabh Verma
Director
DIN: 08990619

Swati
Pratullakumar Patil
Swati Patil
Company Secretary
Membership No. : ACS 61279

Place: Mumbai
Date: 22 April 2021

Pawan Kumar Jain
Digitally signed by Pawan Kumar Jain
Date: 2021.04.22 22:15:50 +05'30'

Pawan Kumar Jain
Director and CFO
DIN: 07833315

Statement of changes in equity for the year ended 31 march 2021

A) Equity share capital

Particulars	Number of shares	Amount (in Rs)
Equity shares of Rs 10 each issued, subscribed and fully paid		
As at 1 April 2019	4,17,40,160	41,74,01,600
Issue of equity share capital	2,08,70,080	20,87,00,800
As at 31 March 2020	6,26,10,240	62,61,02,400
As at 1 April 2020	6,26,10,240	62,61,02,400
Issue of equity share capital	-	-
As at 31 March 2021	6,26,10,240	62,61,02,400

B) Other equity

Particulars	Surplus in the statement of profit and loss	Securities premium	Other comprehensive income	Total
As at 1 April 2019	1,82,60,236	-	-	1,82,60,236
Additions during the year (note 13)	(3,24,83,517)	1,25,22,048	(1,56,05,839)	(3,55,67,308)
Closing as at 31 March 2020	(1,42,23,281)	1,25,22,048	(1,56,05,839)	(1,73,07,072)
Additions during the year (note 13)	9,48,42,622	-	(67,08,004)	8,81,34,618
Closing as at 31 March 2021	8,06,19,341	1,25,22,048	(2,23,13,844)	7,08,27,546

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

VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.04.22 23:13:45 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables SPV 1 Limited

AMITABH VERMA
Digitally signed by AMITABH VERMA
Date: 2021.04.22 22:24:57 +05'30'

Amitabh Verma

Director

DIN: 08990619

Pawan Kumar Jain
Digitally signed by Pawan Kumar Jain
Date: 2021.04.22 22:16:05 +05'30'

Pawan Kumar Jain

Director and CFO

DIN: 07833315

Swati Prafullakumar Patil
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Date: 2021.04.22 22:18:36 +05'30'

Swati Patil

Company Secretary

Membership No. : ACS 61279

Place: Mumbai

Date: 22 April 2021

(in Rs)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit for the period before tax as per statement of profit and loss	4,72,29,453	4,21,94,984
Adjustments for:		
Depreciation expenses	8,10,85,890	6,02,80,600
Finance costs	13,74,39,989	11,15,19,416
Interest income	(66,63,306)	(60,50,426)
Stamp duty on issue of shares	-	22,16,223
Operating profit before working capital changes	25,90,92,026	21,01,60,797
Working capital adjustments		
Increase in trade receivables	(1,63,44,984)	(37,03,788)
Increase in other current assets	(30,19,643)	(59,98,244)
Increase in trade payables	6,36,282	25,56,676
Increase in other financial liabilities	39,88,418	37,67,810
Increase in other financial assets	(78,21,342)	(80,71,646)
Increase/ (decrease) in other current liabilities	(2,36,725)	6,15,432
Cash generated from operating activities	23,62,94,032	19,93,27,037
Income taxes paid	(5,64,254)	(65,55,057)
Cash generated from operating activities	23,57,29,778	19,27,71,980
Cash flow from investing activities		
Purchase of tangible assets including capital work in progress	(39,46,04,154)	(95,26,74,123)
Interest received	78,87,702	1,04,86,118
Fixed deposits of original maturity of more than three months placed	(5,77,78,612)	(66,18,771)
Inter corporate loan given	(2,00,00,000)	7,50,00,000
Repayment against inter corporate loans given	2,00,00,000	(7,50,00,000)
Cash used in investing activities	(44,44,95,064)	(94,88,06,776)
Cash flow from financing activities		
Proceeds from issue of equity shares	-	22,12,22,848
Stamp duty on issue of shares	-	(22,16,223)
Proceeds from borrowings	26,92,33,203	78,13,57,772
Repayment of borrowings	(5,07,46,367)	(4,52,14,239)
Proceeds from inter corporate loan	-	6,25,00,000
Repayment of inter corporate loan	-	(6,25,00,000)
Loan transaction expenses	(53,34,353)	-
Interest paid	(13,81,23,942)	(9,75,97,189)
Cash generated from financing activities	7,50,28,541	85,75,52,969
Net increase in cash and cash equivalents	(13,37,36,745)	10,15,18,173
Cash and cash equivalents at beginning of the year	20,51,19,013	10,36,00,840
Cash and cash equivalents at the end of the year	7,13,82,268	20,51,19,013

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

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	1,17,61,742	2,36,19,013
Fixed deposits with original maturity of less than three months	5,96,20,526	18,15,00,000
Total	7,13,82,268	20,51,19,013

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

Reconciliation of liabilities from financing activities for the period ended 31 March 2021

(in Rs.)

Particulars	As at 31 March 2020	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2021
Borrowings-non-current	1,88,91,53,022	21,84,86,836	(5,43,82,511)	2,05,32,57,347
Other financial liabilities (current maturity of long term debt)	3,03,04,336	-	3,95,22,721	6,98,27,057
Borrowings-current	-	-	-	-
Total	1,91,94,57,358	21,84,86,836	(1,48,59,790)	2,12,30,84,404

Reconciliation of liabilities from financing activities for the period ended 31 March 2020

(in Rs.)

Particulars	As at 31 March 2019	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2020
Borrowings-non-current	1,10,80,84,528	73,61,43,533	4,49,24,961	1,88,91,53,022
Other financial liabilities (current maturity of long term debt)	2,98,55,650	-	4,48,686	3,03,04,336
Borrowings-current	-	-	-	-
Total	1,13,79,40,178	73,61,43,533	4,53,73,647	1,91,94,57,358

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

VIJAY MANIAR
Digitally signed by
VIJAY MANIAR
Date: 2021.04.22
23:15:00 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables SPV 1 Limited

AMITABH VERMA
Digitally signed by
AMITABH VERMA
Date: 2021.04.22
22:25:17 +05'30'

Amitabh Verma

Director

DIN: 08990619

Pawan Kumar Jain
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Pawan Kumar Jain
Date: 2021.04.22
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Pawan Kumar Jain

Director and CFO

DIN: 07833315

Swati Prafullakumar Patil
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Prafullakumar Patil
Date: 2021.04.22 22:18:19
+05'30'

Swati Patil

Company Secretary

Membership No. : ACS 61279

Place: Mumbai

Date: 22 April 2021

1. Corporate information

Aditya Birla Renewables SPV 1 Limited ('the Company') is a public Company incorporated on 19 June 2017 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 UltraTech Cement Limited is an associate of the Company with 26% shareholding.

The primary business of the Company is to generate and supply solar power to UltraTech Cement Limited for captive consumption.

The financial statements were authorized for issue in accordance with a resolution of the directors on 22 April 2021.

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) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) 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, such as derivatives 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 from contract with customer

The Company is in the business of supply of power to its customer. Revenue from contracts with customer is recognized when solar power generated is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods.

The specific recognition criteria described below must also be met before revenue is recognized.

(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.

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 customer is billed on a monthly basis and is given 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.

(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.

(iii) Income from sale of Verified Carbon Standard (VCS) Scheme

Income from VCS pertains to the sale of Verified Carbon Units generated from the Company's solar power plants. Since the quantum of accruals on such units sold cannot be ascertained with reasonable certainty, this income is accounted on acceptance basis.

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.

Minimum alternate tax

The Company has decided to opt for concessional tax rates with effect from 01 April 2019, as introduced by The Taxation Laws Amendment Act (2019) and accordingly MAT provisions are not applicable to the Company.

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. Freehold land is carried at historical cost and is not subject to depreciation. 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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.

The Company has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116 - Leases, effective from annual reporting period beginning 01 April 2019. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

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.

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.

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. Employee Benefits

Short-Term Employee Benefits: Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plans: Contribution payable to the recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognised as an expense in the Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.

The provident fund contribution as specified under the law is paid to the Regional Provident Fund Commissioner.

Defined Benefit Plans: The obligation in respect of defined benefit plans, which covers Gratuity and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each reporting period using project unit credit method.

The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the period, and any shortfall in the Fund size maintained by the Trust set-up by the Company is additionally provided for.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur.

Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to profit or loss in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee Benefits Expense'.

The present value of the Defined Benefit Plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Other Long-Term Benefits: Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each reporting period. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

k. 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.

I. Derivate financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts and swaps to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

Cash flow hedges

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

m. 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.

n. 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.

o. 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, as defined above.

p. 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.

q. 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 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.

3 Property, plant and equipment

A.Owned Assets

(in Rs)											
Sr. No.	Particulars	Location	Gross Block				Depreciation				Net Block
			At 01 April 2020	Additions	Disposals	At 31 March 2021	At 01 April 2020	Charge for the year	Disposals	At 31 March 2021	At 31 March 2021
1	Freehold land	Bijapur (8 MWp DC)	3,64,98,677	-	-	3,64,98,677	-	-	-	-	3,64,98,677
		Andhra Pradesh (9.625 MWp DC)	5,25,86,005	31,29,260	-	5,57,15,265	-	-	-	-	5,57,15,265
2	Plant & equipment	Pune (0.973 MWp DC)	5,35,48,294	-	-	5,35,48,294	38,59,763	17,85,084	-	56,44,847	4,79,03,448
		Kharia Khangar (6 MWp DC)	22,93,71,419	-	-	22,93,71,419	1,63,78,743	76,45,714	-	2,40,24,457	20,53,46,962
		Hotgi (0.973 MWp DC)	5,29,63,909	-	-	5,29,63,909	37,26,755	17,65,464	-	54,92,219	4,74,71,690
		Bijapur (8 MWp DC)	33,41,22,797	-	-	33,41,22,797	2,24,39,619	1,11,37,426	-	3,35,77,045	30,05,45,752
		Sewagram (5 MWp DC)	19,68,25,549	44,736	-	19,68,70,285	1,06,50,235	65,61,681	-	1,72,11,916	17,96,58,369
		Rawan (12.5 MWp DC)	42,24,17,015	1,65,888	-	42,25,82,903	1,60,38,791	1,40,83,642	-	3,01,22,433	39,24,60,470
		Rajshree (17.5 MWp DC)	55,94,10,279	-	-	55,94,10,279	91,81,803	1,86,47,009	-	2,78,28,812	53,15,81,467
		Hirni (6.25 MWp DC)	21,72,90,266	-	-	21,72,90,266	79,80,416	72,43,009	-	1,52,23,425	20,20,66,841
		Andhra Pradesh (9.625 MWp DC)	-	32,91,04,029	-	32,91,04,029	-	78,65,619	-	78,65,619	32,12,38,410
		Baikunth (11.05 MW)	-	32,55,44,321	-	32,55,44,321	-	27,92,899	-	27,92,899	32,27,51,422
3	Building	Kharia Khangar (6 MWp DC)	1,00,29,340	-	-	1,00,29,340	7,14,519	3,34,311	-	10,48,830	89,80,510
		Sewagram (5 MWp DC)	63,42,748	-	-	63,42,748	3,45,231	2,11,425	-	5,56,656	57,86,092
		Rajshree (17.5 MWp DC)	92,91,080	-	-	92,91,080	1,24,274	3,10,737	-	4,35,011	88,56,069
		Rawan (12.5 MWp DC)	26,35,499	-	-	26,35,499	1,00,245	88,559	-	1,88,804	24,46,695
		Hirni (6.25 MWp DC)	7,42,002	-	-	7,42,002	27,376	24,734	-	52,110	6,89,892
		Andhra Pradesh (9.625 MWp DC)	-	1,66,46,618	-	1,66,46,618	-	3,98,303	-	3,98,303	1,62,48,315
		Baikunth (11.05 MW)	-	1,45,06,641	-	1,45,06,641	-	1,24,532	-	1,24,532	1,43,82,109
4	Office equipment	Rawan (12.5 MWp DC)	-	6,96,352	-	6,96,352	-	14,118	-	14,118	6,82,234
5	Laptop		-	1,67,162	-	1,67,162	-	17,556	-	17,556	1,49,606
Total			2,18,40,74,879	69,00,05,007	-	2,87,40,79,886	9,15,67,770	8,10,51,821	-	17,26,19,592	2,70,14,60,295

As at 31 March 2020											
Sr. No.	Particulars	Location	Gross Block				Depreciation				(in Rs)
			At 01 April 2019	Additions	Disposals	At 31 March 2020	At 01 April 2019	Charge for the year	Disposals	At 31 March 2020	Net Block At 31 March 2020
1	Freehold land	Bijapur (8 MWp DC)	3,64,81,907	16,770	-	3,64,98,677	-	-	-	-	3,64,98,677
		Andhra Pradesh (9.625 MWp DC)	-	5,25,86,005	-	5,25,86,005	-	-	-	-	5,25,86,005
2	Plant & equipment	Pune (0.973 MWp DC)	5,35,48,294	-	-	5,35,48,294	20,69,788	17,89,975	-	38,59,763	4,96,88,532
		Kharia Khangar (6 MWp DC)	22,93,71,419	-	-	22,93,71,419	87,12,082	76,66,661	-	1,63,78,743	21,29,92,676
		Hotgi (0.973 MWp DC)	5,29,63,909	-	-	5,29,63,909	19,56,456	17,70,299	-	37,26,755	4,92,37,154
		Bijapur (8 MWp DC)	33,41,22,797	-	-	33,41,22,797	1,12,71,678	1,11,67,941	-	2,24,39,619	31,16,83,178
		Sewagram (5 MWp DC)	19,70,75,549	-	2,50,000	19,68,25,549	40,72,843	65,77,392	-	1,06,50,235	18,61,75,314
		Rawan (12.5 MWp DC)	42,15,45,477	8,71,538	-	42,24,17,015	19,44,125	1,40,94,666	-	1,60,38,791	40,63,78,224
		Rajshree (17.5 MWp DC)	-	55,94,10,279	-	55,94,10,279	-	91,81,803	-	91,81,803	55,02,28,476
		Hirmi (6.25 MWp DC)	21,61,73,961	11,16,305	-	21,72,90,266	7,46,773	72,33,643	-	79,80,416	20,93,09,850
3	Building	Kharia Khangar (6 MWp DC)	1,00,29,340	-	-	1,00,29,340	3,79,292	3,35,227	-	7,14,519	93,14,821
		Sewagram (5 MWp DC)	63,42,748	-	-	63,42,748	1,33,227	2,12,004	-	3,45,231	59,97,517
		Rajshree (17.5 MWp DC)	-	92,91,080	-	92,91,080	-	1,24,274	-	1,24,274	91,66,806
		Rawan (12.5 MWp DC)	26,35,499	-	-	26,35,499	12,155	88,090	-	1,00,245	25,35,254
		Hirmi (6.25 MWp DC)	7,42,002	-	-	7,42,002	2,575	24,801	-	27,376	7,14,625
Total			1,56,10,32,902	62,32,91,977	2,50,000	2,18,40,74,879	3,13,00,994	6,02,66,776	-	9,15,67,770	2,09,25,07,109

B. Right of Use Assets

(in Rs)	
Description	Land
Cost	
Balance as on 01 April 2019 due to adoption of Ind AS 116	3,87,072
Addition during the year	-
Balance as at 31 March 2020	3,87,072
Additions during the year	8,52,550
Balance as at 31 March 2021	12,39,622
Accumulated amortisation	
Balance as on 01 April 2019 due to adoption of Ind AS 116	-
Depreciation for the year	13,824
Balance as at 31 March 2020	13,824
Depreciation for the year	34,069
Balance as at 31 March 2021	47,893
Net carrying amount as at 31 March 2020	3,73,248
Net carrying amount as at 31 March 2021	11,91,729
Grand Total (A+B)	2,70,26,52,024

C The details of capital work in progress are as follows:

(in Rs)		
Plant name	At 31 March 2021	As at 31 March 2020
Andhra Pradesh (9.625 MWp DC)	-	31,99,13,261
Baikunth (11 MWp DC)	-	3,26,500
Total	-	32,02,39,761

Capitalised borrowing costs

During the year, the amount of borrowing costs capitalised is Rs 1,05,11,269 (31 March 2020: Rs 76,56,815). The rate used to determine the amount of borrowing costs eligible for capitalisation has been approximately 9% for Inter Corporate Debts and rates for borrowings from banks is as mentioned in note 14.

Property plant and equipment pledged as security

Property, plant and equipment has been pledged as security for borrowings by the Company (note 14).

4 Other financial assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity of more than twelve months	2,13,97,383	-
Security deposits (unsecured, considered good)	3,58,955	-
Total	2,17,56,338	-

5 Non current tax assets (net) (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax and TDS receivable {net of provision Rs 59,153 (PY: Rs Nil)}	75,25,906	70,20,805
Total	75,25,906	70,20,805

6 Other non current assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	-	2,53,700
Derivative assets	-	1,49,62,544
Total	-	1,52,16,244

7 Trade receivables (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Receivables from related parties (note 28)	1,98,24,765	35,51,050
Other receivables	5,79,120	5,07,852
Total	2,04,03,885	40,58,902

Break up for security details (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good	2,04,03,885	40,58,902
Trade receivables which have significant increase in credit risk [note 34(C)(a)]	-	-
Trade receivables - credit impaired [note 34(C)(a)]	-	-
Total	2,04,03,885	40,58,902

No trade or other receivable is due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable 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 28

8 Cash and cash equivalents (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	1,17,61,742	2,36,19,013
Deposits with original maturity of less than three months	5,96,20,526	18,15,00,000
Total	7,13,82,268	20,51,19,013

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.

9 Bank balances other than cash and cash equivalents (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity of more than three months but less than twelve months	4,85,00,000	1,21,18,771
Total	4,85,00,000	1,21,18,771

10 Other financial assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Unbilled revenue (note 28)	3,03,29,832	2,27,05,365
Accrued interest	86,073	1,61,193
Loans & advances	63,90,920	63,90,920
Security deposits (unsecured, considered good)	-	1,62,080
Total	3,68,06,825	2,94,19,558

11 Other current assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balances with government authorities	27,466	22,966
Prepayments	50,47,279	47,62,414
Other advances	27,69,212	38,934
Total	78,43,957	48,24,314

12 Equity share capital

(in Rs)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorized share capital:		
6,40,00,000 (PY : 6,40,00,000) equity shares of Rs. 10 each	64,00,00,000	64,00,00,000
	64,00,00,000	64,00,00,000
Issued equity capital		
6,26,10,240 (PY : 6,26,10,240) equity shares of Rs 10 each issued, subscribed and fully paid	62,61,02,400	62,61,02,400
	62,61,02,400	62,61,02,400

(a) **Reconciliation of issued share capital**

Particulars	As at 31 March 2021	As at 31 March 2020
Number of shares outstanding at the beginning of the year	6,26,10,240	6,26,10,240
Issue of shares during the year	-	-
Number of shares outstanding at the end of the year	6,26,10,240	6,26,10,240

(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 UltraTech Cement 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 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Aditya Birla Renewables Limited	4,63,31,577	74%	4,63,31,577	74%
UltraTech Cement Limited	1,62,78,663	26%	1,62,78,663	26%
Total	6,26,10,240	100%	6,26,10,240	100%

13 Other equity

(in Rs)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	(1,73,07,072)	1,82,60,236
Securities premium	-	1,25,22,048
Profit/(loss) for the year	9,48,42,622	(3,24,83,517)
Other comprehensive income [Net off movement on cashflow hedges (net of tax)]	(67,08,004)	(1,56,05,839)
Total	7,08,27,546	(1,73,07,072)

Nature & purpose of reserve

Securities premium is credited when shares are issued at premium. It can be used for the purposes mentioned in Section 52 of the Companies Act, 2013.

14 Borrowings (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Term loan		
Rupee term loan	48,71,46,453	51,93,93,764
Letter of credit discounted	91,79,76,526	80,91,69,713
Buyers credit	28,97,59,752	29,74,59,178
Suppliers credit	42,82,01,673	29,34,34,703
	2,12,30,84,404	1,91,94,57,358
Current		
Current maturity of long term debt (note 19)	(6,98,27,057)	(3,03,04,336)
	(6,98,27,057)	(3,03,04,336)
Total	2,05,32,57,347	1,88,91,53,022

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Rupee term loan				
Citibank N.A.	23,58,66,640	23,25,28,067	6.21% - 6.87%	The loan is repayable in 74 quarterly instalments starting from 15 February 2019.
ICICI Bank Limited	25,35,54,496	25,12,29,580	7.45%- 8.35%	The loan is repayable in 74 quarterly instalments starting from 15 February 2019.
ICICI Bank Limited (Gujarat)	35,38,632	33,88,806	8.25%- 9.30%	The loan is repayable in 76 equal quarterly instalments which should not exceed the maturity date i.e. 31 December 2038
Letter of credit				
Ratnakar Bank Limited	65,54,92,992	65,44,87,803	5.95% - 9.00%	The loan is repayable in 76 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e. 31 March 2039. The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above.
Axis Bank Limited	12,23,76,625	12,12,07,364	5.25%- 6.30%	The loan is repayable in 60 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e. 31 March 2036. The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above.
ICICI Bank Limited	14,31,96,032	14,22,81,359	5.85%- 7.60%	The loan is repayable in 76 equal quarterly instalments which should not exceed the maturity date i.e. 31 December 2038. The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above.
Buyers credit				
Ratnakar Bank Limited	26,61,94,494	28,97,59,752	6.36% - 6.60%	The loan is repayable in 76 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e. 31 March 2039.
Suppliers credit				
Ratnakar Bank Limited	28,02,82,159	27,94,57,788	7.27%- 7.32%	The loan is repayable in 76 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e. 31 March 2039.
Axis Bank Limited	14,68,56,579	14,87,43,885	6.35%	The loan is repayable in 60 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e. 31 March 2036.

Buyers credit and suppliers credit has been fully hedged for foreign exchange and interest rate fluctuation. The above figures are as per IND AS (including mark to market and amortisation).

Security

The above borrowing arrangements are secured as follows:

- 1) First charge on the assets of the projects, both present and future, located at Pune, Hotgi, Kharia Khangar, Bijapur, Sewagram, Chhattisgarh, Andhra Pradesh and Karnataka.
- 2) Exclusive charge on respective project's current assets, all cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, uncalled capital, present and future.
- 3) Exclusive charge on respective collection account, debt service reserve account and other reserves and any other bank accounts of the borrower 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 networth ratio and fixed asset coverage ratio. These covenants are to be tested as per the terms and conditions of the respective loan agreements. The Company has not defaulted on any loans which were due for payment.

15 Other financial liabilities

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Derivative liability	1,36,43,132	-
Total	1,36,43,132	-

16 Deferred tax liabilities (net)

Particulars	As at 31 March 2020	Credit for the year		As at 31 March 2021
		Profit and loss	Other comprehensive income	
Deferred tax assets				
Preliminary expenses	(2,28,922)	1,25,372	-	(1,03,550)
Share issue expenses	(15,081)	15,081	-	-
Business loss(note b)	(22,20,16,109)	(13,51,48,171)	-	(35,71,64,280)
	(22,22,60,112)	(13,50,07,718)	-	(35,72,67,830)
Deferred tax liabilities				
Accelerated depreciation for tax purposes	30,13,27,709	8,73,35,396	-	38,86,63,105
	30,13,27,709	8,73,35,396	-	38,86,63,105
Net movement on cash flow hedges (note a)	(51,19,120)	-	(27,07,179)	(78,26,299)
Deferred tax liabilities/(assets)	7,39,48,477	(4,76,72,322)	(27,07,179)	2,35,68,976

Notes:

- a) Income tax effect on net movement of cash flow hedge.
b) 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 year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax as per the Statement of Profit and Loss	4,72,29,453	4,21,94,984
Applicable tax rate	25.17%	25.17%
Computed tax expense	1,18,87,653	1,06,20,477
Income tax effect of:		
Impact of additional depreciation in opening WDV of fixed assets as per Income Tax notification	(5,95,59,976)	-
Amortisation of loan transaction expenses	-	(18,21,357)
Impact of adoption of new tax regime and change in tax rates	-	5,86,98,370
Non deductible expenses	-	5,57,779
Others	-	2,25,847
Total	(5,95,59,976)	5,76,60,639
Net tax expense as per statement of Profit and Loss	(4,76,72,322)	6,82,81,117
Effective tax rate	-100.94%	161.82%

17 Provisions

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity	4,97,238	-
Leave encashment	4,47,558	-
Total	9,44,796	-

18 Trade payables

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro and small enterprises (note 31)	5,35,823	7,71,542
Total outstanding dues of creditors other than micro and small enterprises (including related party dues [note 28])	38,31,250	29,59,249
Total	43,67,073	37,30,791

Terms and conditions of trade payables:

Trade payables are non interest bearing and credit period varies as per the terms of the contract/work order/purchase order executed with each vendor.

19 Other financial liabilities

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Current maturity of long term debt (note 14)	6,98,27,057	3,03,04,336
Liability for capital expenditures (including retention money)	1,34,05,816	3,61,06,898
Provision for expenses	57,57,134	19,62,596
Other payables	25,09,631	30,05,531
Interest accrued but not due on borrowings	1,83,83,488	1,82,68,655
Payable to related parties (note 28)		
- Project management fees	1,35,39,637	2,44,40,604
- Reimbursement of expenses	1,04,854	-
- Deputation charges	-	2,13,867
- Purchase of material	-	1,67,560
Total	12,35,27,617	11,44,70,047

20 Other current liabilities

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liabilities:		
- Tax deducted at source	3,51,603	3,53,383
- Goods and service tax payable	1,72,521	4,46,677
- Profession tax payable	1,400	-
- Provident fund payable	37,811	-
Total	5,63,335	8,00,060

21 Provisions

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity	2,299	-
Leave encashment	66,682	-
Total	68,981	-

(in Rs)		
22 Revenue from operations		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Solar power generation (note 28)		
0.973 MWp DC at Pune (Maharashtra)	63,01,720	68,07,645
6 MWp DC at Kharia Khangar (Rajasthan)	3,11,45,375	3,35,01,337
0.973 MWp DC at Hotgi (Maharashtra)	55,13,393	64,01,587
9.625 MWp DC Kadapa (Andhra Pradesh)	3,14,17,680	-
8 MWp DC at Bijapur (Karnataka)	4,95,48,092	5,01,18,103
5 MWp DC at Sewagram (Gujarat)	3,07,44,842	3,22,78,931
12.5 MWp DC at Rawan (Chhattisgarh)	4,67,27,606	5,03,85,387
6.25 MWp DC at Hirni (Chhattisgarh)	2,23,95,580	2,38,31,960
17.5 MWp DC at Rajshree (Karnataka)	7,22,92,199	3,58,50,412
11.05 MWp DC at Baikunth (Chhattisgarh)	1,30,51,663	-
Other operating income		
Sale of VCS credits	5,17,070	3,38,821
Power generation loss	-	20,00,000
Scrap sale	-	52,400
Total	30,96,55,220	24,15,66,583

The Company has one principal customer i.e., UltraTech Cement Limited for all its solar power projects. The Company has entered into Power Purchase Agreements (PPAs) 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 2021	As at 31 March 2020
Contract assets	-	-
Contract liabilities	-	-
Receivables		
Trade receivables (note 28)	1,98,24,765	35,51,050
Unbilled revenue (note 28)	3,03,29,832	2,27,05,365
Total	5,01,54,597	2,62,56,415

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

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.

(in Rs)		
23 Other income		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income	66,63,306	60,50,426
Exchange difference (net)	17,37,832	-
Total	84,01,138	60,50,426

(in Rs)		
24 Employee benefit expenses		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	62,84,268	-
Contribution to provident and other funds	3,65,656	-
Staff welfare expenses	52,626	-
Total	67,02,550	-

(in Rs)		
25 Finance costs		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest cost on borrowings	13,74,39,989	11,15,19,416
Bank charges	5,09,948	1,38,064
Total	13,79,49,937	11,16,57,480

(in Rs)		
26 Other expenses		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Insurance expenses	40,13,095	16,66,554
Exchange differences (net)	-	62,62,809
Deputation charges	4,24,935	2,13,867
Legal and professional fees	37,13,472	9,59,529
Payment to auditors (refer details below)	18,15,135	22,73,084
Repairs and maintenance	32,34,958	18,91,727
Stamp duty on shares	-	22,16,223
Managerial remuneration	2	2
Business development expenses	485	4,47,428
Rates and taxes	13,38,221	10,24,625
Office rent	36,53,840	-
Director sitting fees	7,08,000	7,90,600
Miscellaneous expenses	23,19,913	1,53,938
Total	2,12,22,056	1,79,00,386

(in Rs)		
Payment to auditors		
	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor		
Audit fees	17,19,909	20,14,909
Tax audit fees	95,226	1,54,226
Reimbursement of expenses	-	1,03,949
Total	18,15,135	22,73,084

27 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit/loss 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 /loss 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 year ended 31 March 2021	For the year ended 31 March 2020
Profit/ (loss) attributable to equity holders (in Rs)	9,48,42,622	(3,24,83,517)
Weighted average number of equity shares for basic and diluted EPS	6,26,10,240	5,25,74,355
Basic and diluted earnings per share (in Rs)	1.51	(0.62)

28 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the year ended 31 March 2021

(A) Holding Company

Aditya Birla Renewables Limited (74%)

(B) Ultimate Holding Company

Grasim Industries Limited (through its 100% holding in Aditya Birla Renewables Limited)

(C) Associate Company

UltraTech Cement Limited (26%)

(D) Fellow subsidiaries of Holding / Ultimate Holding Company

Aditya Birla Renewables Utkal Limited

Aditya Birla Solar Limited

(F) Key Managerial personnel

Ravinder Khanna, Managing Director (cessation w.e.f. 14 March 2021)

Pinky Atul Mehta, Director

Bhupendranath Bhargava, Independent Director (w.e.f. 08 April 2019)

Venkatadri Chandrasekaran, Independent Director (w.e.f. 08 April 2019)

Pawan Kumar Jain, Director and Chief Financial Officer

Details of transactions with related parties:		(in Rs)	
Sr. No.	Particulars	For the year ended	
		31 March 2021	31 March 2020
1	Allotment of equity shares including securities premium Aditya Birla Renewables Limited UltraTech Cement Limited	- -	16,37,04,908 5,75,17,940
		-	22,12,22,848
2	Revenue from operations- solar power generation UltraTech Cement Limited	30,91,38,150	23,91,75,362
3	Project management fees capitalised under property, plant and equipment Grasim Industries Limited	2,82,54,332	2,67,03,623
4	Supervision and monitoring of operation and maintenance services charged to statement of profit and loss Grasim Industries Limited	11,25,005	7,32,725
5	Inter corporate loan taken Grasim Industries Limited	-	6,25,00,000
6	Inter corporate loan repaid Grasim Industries Limited - Principal - Interest paid on inter corporate loan capitalised	- - -	6,25,00,000 7,29,675
		-	6,32,29,675
7	Inter corporate loan given Aditya Birla Renewables Limited	2,00,00,000	7,50,00,000
8	Repayment against inter corporate loan given Aditya Birla Renewables Limited - Principal - Interest income booked to statement of profit and loss	2,00,00,000 1,02,466	7,50,00,000 6,89,383
		2,01,02,466	7,56,89,383
9	Managerial remuneration Ravinder Khanna Pawan Kumar Jain	1 1	1 1
10	Deputation charges Aditya Birla Renewables Limited	4,24,935	2,13,867
11	Payment of statutory dues Aditya Birla Renewables Utkal Limited	57,290	-
12	Reimbursement for plant commissioning approvals (receivable) UltraTech Cement Limited	25,41,146	-
13	Transfer of employee related liabilities Aditya Birla Renewables Limited	10,10,537	-
14	Reimbursement of expenses (payable) UltraTech Cement Limited Aditya Birla Renewables Limited	2,36,000 80,555	-
15	Reimbursement of insurance charges Grasim Industries Limited	66,944	-
16	Director sitting fees Venkatadri Chandrasekaran Bhupendranath Bhargava	3,00,000 3,00,000	3,70,000 3,00,000

Details of closing balances :		(in Rs)	
Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	Share capital including securities premium		
	Aditya Birla Renewables Limited	47,25,82,086	47,25,82,086
	UltraTech Cement Limited	16,60,42,362	16,60,42,362
		63,86,24,448	63,86,24,448
2A	Trade receivables		
	UltraTech Cement Limited	1,98,24,765	35,51,050
2B	Unbilled revenue		
	UltraTech Cement Limited	3,03,29,832	2,27,05,365
3	Project management fees payable		
	Grasim Industries Limited	1,35,39,637	2,44,40,604
4	Supervision and monitoring of operation and maintenance services payable		
	Grasim Industries Limited (net of TDS)	3,50,060	2,69,477
5	Deputation charges payable		
	Aditya Birla Renewables Limited	-	2,13,867
6	Payable towards reimbursement of expenses		
	Aditya Birla Renewables Limited	1,04,854	-
7	Purchase of material		
	Aditya Birla Solar Limited	-	1,67,560

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 year-end are unsecured and settlement occurs in cash for the year ended 31 March 2021. 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.

29 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 34)
- Capital management (note 34)

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 Agreements (PPAs) entered into with its customer, UltraTech Cement 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.

Change in method of amortisation of loan transaction expenses

The Company has changed the method of calculation of amortisation of loan transaction expenses from cash flow basis to straight-line amortisation over the tenure of the loan. If the Company had not changed the method of calculation for amortisation of loan transaction expenses, the finance cost would have been higher by Rs. 1,67,28,203 and consequently, profit before tax would have been lower by the same amount. There will be no future impact due to change in method as the loan transaction expenses will be amortised over the remaining tenure of the loan.

30. Retirement benefits

30.1 Defined Contribution Plan:

Amount of Rs. 3,65,224 (31 March 2020 : Rs. Nil) is recognised as an expense and included in note 24 - 'employee benefit expenses' in the statement of profit and loss.

30.2 Employee benefits- Defined benefits plans as per Actuarial Valuation:

Gratuity:

The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of service, whichever is earlier, of an amount equivalent to 15 to 30 days' salary for each completed year of service, as per rules framed in this regard. Vesting occurs upon completion of five continuous years of service in accordance with Indian law. In case of majority of employees, the Company's scheme is more favourable as compared to the obligation under payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

Since the payroll was transferred from Aditya Birla Renewables Limited with effect from 01 September 2020, no comparative figures have been provided for the year ended 31 March 2020.

Statement of profit and loss (in Rs.)	
Net employee benefit expense recognized in the employee cost	For the year ended 31 March 2021
Current service cost	76,309
Interest cost on benefit obligation	11,095
Past service cost	-
Expected return on plan assets	-
Net actuarial(gain)/loss recognized in the year	-
Net benefit expense recognised in the statement of profit and loss	87,404

Balance sheet (in Rs.)	
Particulars	As at 31 March 2021
Opening net defined benefit liability/(asset)	-
Expense charged to profit and loss account	87,404
Amount recognized outside profit & loss account	47,424
Employer contribution	-
Impact of liability assumed or (settled)	3,64,709
Closing net defined benefit liability/(asset)	4,99,537

Changes in the present value of the defined benefit obligation are as follows: (in Rs.)	
Particulars	As at 31 March 2021
Opening defined benefit obligation	-
Current service cost	76,309
Benefits directly paid by the Company	-
Interest on defined benefit obligation	11,095
Actuarial (gains)/losses on obligation	47,424
Liabilities assumed/(settled)	3,64,709
Closing defined benefit obligation as at the end of the year	4,99,537

The principal assumptions used in determining benefit obligations are shown below:

Particulars	For the year ended 31 March 2021
Discount rate (per annum)	6.10%
Age of retirement	60 years
Annual increase in salary cost	6%
Attrition/withdrawal rate (per annum)	
Age (in years)	Rate (p.a.)
21-30	13%
31-40	0%
41-50	13%
51-59	33%
Mortality (table)	IALM (2012-14) Ult

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

30.3 The sensitivity analysis on defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2021	
	Discount rate	Salary escalation rate
Defined benefit obligation on increase in 50 bps	4,76,586	5,24,235
Impact of increase in 50 bps on defined benefit obligation	-4.59%	4.94%
Defined benefit obligation on decrease in 50 bps	5,24,332	4,76,461
Impact of decrease in 50 bps on defined benefit obligation	4.96%	-4.62%

30.4 The obligation for compensated absences is recognised in the same manner as gratuity, amounting to charge of Rs.1,35,396 (31 March 2020 - Rs. Nil)

30.5 The expected maturity analysis of gratuity are as follows:

(in Rs.)					
As at 31 March 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Gratuity	2,299	93,710	1,59,423	7,53,219	10,08,651

31 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 2021	31 March 2020
Principal amount due to micro enterprises and small enterprises	12,77,073	1,89,73,711
Interest due on above	-	-
Amount of interest paid during the year	-	-
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.

32 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.

33 Categories of financial instruments

(in Rs)				
Particulars	Carrying value		Fair value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial assets				
Measured at amortized cost (carrying values approximates the amortized cost):				
Trade receivables (note 7)	2,04,03,885	40,58,902	2,04,03,885	40,58,902
Cash and cash equivalents (note 8)	7,13,82,268	20,51,19,013	7,13,82,268	20,51,19,013
Bank balances other than cash and cash equivalents (note 9)	4,85,00,000	1,21,18,771	4,85,00,000	1,21,18,771
Other financial assets (note 4 and 10)	5,85,63,163	2,94,19,558	5,85,63,163	2,94,19,558
Total	19,88,49,316	25,07,16,244	19,88,49,316	25,07,16,244
Financial liabilities				
Measured at amortized cost (carrying values approximates the amortized cost):				
Borrowings (note 14)	2,05,32,57,347	1,88,91,53,022	2,05,32,57,347	1,88,91,53,022
Trade payables (note 18)	43,67,073	37,30,791	43,67,073	37,30,791
Other financial liabilities (note 15 and 19)	13,71,70,748	11,44,70,047	13,71,70,748	11,44,70,047
Total	2,19,47,95,168	2,00,73,53,860	2,19,47,95,168	2,00,73,53,860

The Company has assessed that trade receivables, cash and cash equivalents, bank balance, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

34 Financial risk management objectives and policies

(A) Market Risk

The Company's principal financial liabilities, other than derivatives, 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 Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as foreign exchange forward contracts to hedge foreign currency risk exposure.

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) Foreign exchange risk	Committed commercial transactions, financial assets and liabilities not denominated in Rs	Cashflow forecasting, sensitivity analysis	Forward foreign exchange contracts
b) 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, derivative financial instruments	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other liabilities	Rolling cashflow forecasts	Borrowing facilities diversification

Details relating to the risks are provided here below:

(i) Foreign Currency Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to import of modules, wherever required.

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies. It uses derivative instruments like forward covers/swap to hedge exposure to foreign currency risk.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure. The details of the foreign currency exposure and its carrying value are as follows:

Outstanding foreign currency exposure	As at 31 March 2021		As at 31 March 2020	
	USD	Rs	USD	Rs
Buyer's credit	38,13,129	28,02,82,882	38,13,129	28,74,56,140
Interest on buyer's credit	2,477	1,82,043	4,816	3,63,077
Interest on supplier's credit	12,391	9,10,800	25,882	19,51,112
Supplier's credit	58,56,815	43,05,03,457	39,04,195	29,43,21,254

Foreign currency sensitivity analysis

5% increase in foreign exchange rates will decrease profit before tax and decrease pre tax equity by Rs 3,55,93,959 (PY Rs 2,92,04,579). If the rate is decreased by 5%, the profit before tax and pre tax equity will increase by an equal amount.

(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. For foreign borrowings, the Company designates interest rate and cross currency swaps and has a hedge ratio of 1:1. Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. 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 2,10,73,587 (PY Rs 1,88,50,086). If the rate is decreased by 1%, the profit before tax will increase and pretax 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 and foreign exchange transactions.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade receivables

Trade receivables consist of principally one customer UltraTech cement 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 2021 is Rs 2,04,03,885 (PY Rs 40,58,902).

b. Cash and cash equivalents, bank deposits and derivative instruments

Credit Risk on cash and cash equivalents, deposits, derivative instruments is generally low as the Company 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.

(in Rs)					
As at 31 March 2021	upto 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	6,98,27,057	31,01,63,260	22,10,88,040	1,50,62,80,292	2,10,73,58,649
Trade payables	43,67,073	-	-	-	43,67,073
Other financial liabilities	12,35,27,617	-	-	-	12,35,27,617
Total	19,77,21,747	31,01,63,260	22,10,88,040	1,50,62,80,292	2,23,52,53,339

(in Rs)					
As at 31 March 2020	upto 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	3,03,04,336	19,38,91,942	16,64,53,161	1,49,43,59,189	1,88,50,08,628
Trade payables	37,30,791	-	-	-	37,30,791
Other financial liabilities	11,44,70,047	-	-	-	11,44,70,047
Total	14,85,05,174	19,38,91,942	16,64,53,161	1,49,43,59,189	2,00,32,09,466

(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 equivalent divided by total equity.

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (note 14)	2,12,30,84,404	1,91,94,57,358
Less- Cash and cash equivalents (note 8)	7,13,82,268	20,51,19,013
Net debt	2,05,17,02,136	1,71,43,38,345
Equity (note 12 & 13)	69,69,29,946	60,87,95,328
Equity	69,69,29,946	60,87,95,328
Gearing Ratio	2.94	2.82

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 networth ratio and fixed assets coverage ratio which are maintained by the Company.

35 Financial instruments - fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular the valuation techniques and inputs used).

Fair value hierarchy

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 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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

(in Rs)			
Particulars	Level	As at 31 March 2021	As at 31 March 2020
Derivative asset at fair value through OCI	Level 2	-	1,49,62,544
Derivative liability at fair value through OCI	Level 2	1,36,43,132	-
Key inputs for Level 2 fair valuation technique	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.		
Significant unobservable input	Not Applicable		
Relationship of unobservable input to fair	Not Applicable		

36. Cash flow hedge

The Company's business objective includes safe-guarding its foreign exchange borrowings against adverse foreign exchange movements. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Fair Value and Cash Flow hedges. Hedging instruments include forward contracts, swaps and other instruments to achieve this objective. The Company has taken derivative instruments (currency swaps and interest rate swaps) to hedge its foreign currency exposure.

The details of derivative contracts outstanding as at 31 March 2021 is as follows:

Non current	Hedged item	Risk hedged	Nominal value		Carrying value of hedging instrument		Expected maturity
			USD	Rs	Asset	Liability	
Cashflow hedges							
Cross currency swaps	Buyers credit and interest	Exchange rate movement risk and interest rate risk	38,13,129	27,74,68,703	-	18,55,159	November 2021
Currency Swap	Suppliers credit	Exchange rate movement risk	58,56,815	42,71,38,738	26,16,370	82,93,672	July 2022 - June 2023
Interest rate swap	Interest on suppliers credit	Interest rate risk	12,391	9,67,010	-	61,10,670	July 2022- June 2023

Details of derivative contracts outstanding as at 31 March 2020

Non current	Hedged item	Risk hedged	Nominal value		Carrying value of hedging instrument		Expected maturity
			USD	Rs	Asset	Liability	
Cashflow hedges							
Cross currency swaps	Buyers credit and interest	Exchange rate movement risk and interest rate risk	38,13,129	27,74,68,703	1,09,83,982	-	November 2021
Currency Swap	Suppliers credit	Exchange rate movement risk	39,04,195	28,02,82,159	1,15,21,012	-	July 2022
Interest rate swap	Interest on suppliers credit	Interest rate risk	12,251	9,56,555	-	75,42,451	July 2022

The line item in the Balance Sheet that includes the above hedging instruments is 'Other Non Current Assets/'Other Financial Liabilities'

Movement in hedge reserve account

Cashflow hedge reserve account	As at 31 March 2021		
	Realised	Unrealised	Total
Balance at the beginning of the year	-	(1,49,62,544)	(1,49,62,544)
Add: Changes in fair value during the year *	-	2,86,05,676	2,86,05,676
Less: Amount reclassified to statement of profit or loss	-	-	-
Closing balance	-	1,36,43,132	1,36,43,132

Cashflow hedge reserve account	As at 31 March 2020		
	Realised	Unrealised	Total
Balance at the beginning of the year	-	(13,90,289)	(13,90,289)
Add: Changes in fair value during the year *	-	(1,49,62,544)	(1,49,62,544)
Less: Amount reclassified to statement of profit or loss	13,90,289	-	13,90,289
Closing balance	13,90,289	(1,63,52,833)	(1,49,62,544)

* This represents movement in derivative liability

37 Capital commitments

(in Rs)

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	-	15,80,32,605
Total	-	15,80,32,605

38 There are no contingent liabilities as at 31 March 2021 (31 March 2020 : Rs. Nil).

39 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on March 31, 2021. The 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.

40 Previous periods' figures have been regrouped/reclassified wherever necessary, to conform to current period's classification.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

VIJAY
MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.04.22
23:17:33 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 22 April 2021

For and on behalf of the Board of Directors of

Aditya Birla Renewables SPV 1 Limited

AMITABH
H VERMA
Digitally signed by
AMITABH VERMA
Date: 2021.04.22
22:25:57 +05'30'

Amitabh Verma

Director

DIN: 08990619

Swati
Prafullakumar Patil
Digitally signed by Swati
Prafullakumar Patil
Date: 2021.04.22
22:17:32 +05'30'

Swati Patil

Company Secretary

Membership No. : ACS 61279

Place: Mumbai

Date: 22 April 2021

Pawan
Kumar Jain
Digitally signed by
Pawan Kumar Jain
Date: 2021.04.22
22:16:54 +05'30'

Pawan Kumar Jain

Director and CFO

DIN: 07833315

ABREL SPV 2 LIMITED

1ST ANNUAL REPORT

2020-21

ABReL SPV 2 LIMITED

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BOARD OF DIRECTORS' REPORT

To

The Members of the Company

ABReL SPV 2 Limited

Your Directors have pleasure in presenting the 1st (first) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(Amount in Rupees)

Particulars	For the financial year ended March 31, 2021 i.e. from 28.12.2020 to 31.03.2021
Total Income	-
Less : Total Expenses	48,31,060
Profit/(Loss) before Tax	(48,31,060)
Tax Expenses	
Current Tax	-
MAT credit entitlement	
Deferred Tax	
Profit/(Loss) after Tax (A)	(48,31,060)
Other Comprehensive Income/(Loss) (B)	-
Total Comprehensive Income for the Period/(Loss) (A+B)	(48,31,060)

2. State of the Company's affairs

The Company was incorporated on December 28, 2020 for setting up of 120 MW Solar Power Plant(s) in the state of Gujarat for Gujarat Urja Vikas Nigam Limited (GUVNL). Currently, the Company is in the process of procuring the land and also in the process of discussions with various Engineering, Procurement and Construction (EPC) players and module suppliers.

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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, 2021.

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, 2021 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 2020-21, 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, 2021, 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 was no change in the nature of business of the Company during the financial year ended on March 31, 2021.

9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

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i. Authorized Share Capital:

Rs. 46,00,00,000 (Rupees Forty-Six Crore Only) divided into 4,60,00,000 (Four Crore Sixty Lakh) Equity shares of Rs. 10 each.

ii. Issued, Paid-up and Subscribed Capital:

Rs. 50,000 (Rupees Fifty Thousand Only) divided into 5,000 (Five Thousand) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, were the First Directors of the Company since incorporation of the Company. Further, during the year, Mr. Ravinder Khanna ceased to be a Director due to his untimely and sad demise on March 14, 2021. Subsequently Mr. Amitabh Verma was appointed as an Additional Director w.e.f. March 22, 2021 to hold office upto the date of the ensuing Annual General Meeting of the Company. All the Directors of your Company have given requisite declarations 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, 2021 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 2020-21 (DD/MM/YY)	
	20/01/21	10/03/21
Mr. Ravinder Khanna	✓	Leave of absence
Mr. Pavan K. Jain	Leave of absence	✓
Mr. Pawan Kumar Jain	✓	✓

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

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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 –

- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- (b) 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 loss of the Company for that period;
- (c) 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;
- (d) The Directors have prepared the annual accounts on a going concern basis; and
- (e) 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 2020-21, the paid up share capital of the Company was Rs. 50,000 (Rupees Fifty Thousand 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 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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.

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15. Disclosure of issue of equity shares with differential rights

During the financial year 2020-21, 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 2020-21, 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 (Share Capital 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 2020-21, no Key Managerial Personnel were 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.

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20. Establishment of vigil mechanism

During the financial year 2020-21, 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.

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 2020-21, 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, Directors qualifications, positive attributes, and other related matters as provided under section 178(3) of the Companies Act, 2013.

24. Statutory Auditors

During the financial year 2020-21, the Board of Directors at its meeting held on January 20, 2021 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.

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The Board at its meeting held on May 03, 2021 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. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

27. Cost Record

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21, the Company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21, 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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29. 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 January 20, 2021 and is available at the registered office of the Company. During the financial year 2020-21, there were no contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and as such, the particulars as mentioned in section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are not applicable.

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

During the financial year 2020-21, 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 |

31. 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.

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

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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.

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 January 20, 2021. 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

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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 2020-21, 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 December 28, 2020, the revision of Financial Statements or Board of Directors Report of preceding three financial years is not applicable to the Company.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

40. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

ABReL SPV 2 LIMITED

Registered Office: A-2, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India
Corporate Identity Number: U40108MH2020PLC352631
Phone: +91 22 2499 5000, 6652 5000, Fax: +91 22 2499 5821, 6652 5821
Email id: abrelspv2@adityabirla.com


41. 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 during the financial year 2020-21.

**For and on behalf of the Board of Directors of
ABReL SPV 2 Limited**




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director
DIN: 07833315

Place: Mumbai
Date: May 03, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of ABReL SPV 2 Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of ABReL SPV 2 Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 period from 28 December 2020 to 31 March 2021, 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 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period 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 Ind AS 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 Auditors' 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 Ind AS 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.

ABReL SPV 2 Limited
Independent Auditor's Report

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 Ind AS 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.

ABReL SPV 2 Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the period ended 31 March 2021 was not required to be paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

ABReL SPV 2 Limited
Independent Auditor's Report

- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY
MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.05.03
22:21:24 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACU2418
Place of Signature: Mumbai
Date: 03 May 2021

ABReL SPV 2 Limited
Independent Auditor's Report

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) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, as per the program, there was no plan to undertake physical verification of fixed assets by the management during the period under audit and hence we are unable to comment on the discrepancies, if any.
- (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 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.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of custom and goods and service tax, cess, which have not been deposited on account of any dispute. 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.

ABReL SPV 2 Limited
Independent Auditor's Report

- (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 period.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration was not required to be paid/ provided in accordance with the provisions of section 197 read with Schedule V to the Act.
- (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 period 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.

S R B C & COLLP

Chartered Accountants

ABReL SPV 2 Limited Independent Auditor's Report

(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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
Date: 2021.05.03
MANIAR 22:22:26 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACU2418
Place of Signature: Mumbai
Date: 03 May 2021

ABReL SPV 2 Limited
Independent Auditor's Report

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 with reference to financial statements of ABReL SPV 2 Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the period 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

ABReL SPV 2 Limited
Independent Auditor's Report

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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.03
22:23:33 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACU2418
Place of Signature: Mumbai
Date: 03 May 2021

ABReL SPV 2 Limited
CIN: U40108MH2020PLC352631
Balance sheet as at 31 March 2021

(in Rs.)

Particulars	Notes	As at 31 March 2021
Assets		
Non current assets		
Capital work in progress	3	6,50,730
		6,50,730
Current assets		
Financial assets		
Cash and cash equivalents	4	5,37,662
Other financial assets	5	10,000
		5,47,662
Total assets		11,98,392
Equity and liabilities		
Equity		
Equity share capital	6	50,000
Other equity	7	(48,31,060)
		(47,81,060)
Liabilities		
Current liabilities		
Financial liabilities		
Borrowings	8	50,00,000
Other financial liabilities	9	9,60,024
Other current liabilities	10	19,428
		59,79,452
Total liabilities		59,79,452
Total equity and liabilities		11,98,392

Summary of significant accounting policies

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

VIJAY Digitally signed
by VIJAY
MANIAR MANIAR
Date: 2021.05.03
22:24:36 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 May 2021

**For and on behalf of Board of Directors of
ABReL SPV 2 Limited**

AMITABH VERMA Digitally signed by
AMITABH VERMA
Date: 2021.05.03
21:27:12 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 3 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.03
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Pawan Kumar Jain
Director
DIN:07833315

ABReL SPV 2 Limited
CIN: U40108MH2020PLC352631
Statement of profit and loss for the period ended 31 March 2021

		in Rs.
Particulars	Notes	For the period from 28 December 2020 to 31 March 2021
Income		
Revenue from operations		-
Other income		-
Total income		-
Expenses		
Finance costs	11	9,074
Other expenses	12	48,21,986
Total expenses		48,31,060
Loss for the period before tax		(48,31,060)
Tax expenses		
Current tax		-
Deferred tax	22	-
Total tax expense		-
Net loss for the period		(48,31,060)
Other comprehensive income		-
Total comprehensive income for the period		(48,31,060)
Earnings per equity share of Rs. 10 each		
Basic and diluted	13	966.21

Summary of significant accounting policies 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

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.03
22:25:27 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 May 2021

For and on behalf of Board of Directors of
ABReL SPV 2 Limited

AMITABH Digitally signed by
VERMA AMITABH VERMA
Date: 2021.05.03
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Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 3 May 2021

Pawan Kumar Jain Digitally signed by Pawan Kumar Jain
Date: 2021.05.03 21:30:53 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

ABReL SPV 2 Limited
CIN: U40108MH2020PLC352631
Cash flow statement for the period ended 31 March 2021

(in Rs.)	
Particulars	For the period from 28 December 2020 to 31 March 2021
Cash flow from operating activities	
Loss for the period before tax as per the statement of profit and loss	(48,31,060)
Adjustments for:	
Finance costs	9,074
Stamp duty on issue of shares	44,79,000
Operating profit before working capital changes	(3,42,986)
Working capital adjustments	
Increase in other current assets and other financial assets	(10,000)
Increase in other financial liabilities	9,50,950
Increase in other current liabilities	19,428
Cash generated from operating activities	6,17,392
Income taxes paid	-
Cash generated from operating activities	6,17,392
Cash flow from investing activities	
Purchase of tangible assets including capital work in progress	(6,50,730)
Cash used in investing activities	(6,50,730)
Cash flow from financing activities	
Proceeds from issue of equity shares	50,000
Stamp duty on increase in share capital	(44,79,000)
Proceeds from inter corporate loan	50,00,000
Cash generated from financing activities	5,71,000
Net increase in cash and cash equivalents	5,37,662
Cash and cash equivalents at beginning of the period	
Cash and cash equivalents at the end of the period (note 4)	5,37,662

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

(in Rs.)	
Particulars	As at 31 March 2021
Balance with banks	
On current accounts	5,37,662
Total	5,37,662

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

Reconciliation of liabilities from financing activities for the period ended 31 March 2021

Particulars	As at 28 December 2020	Cashflows	Non cash changes	As at 31 March 2021
Borrowings-non-current	-	-	-	-
Other financial liabilities (current maturity of long term debt)	-	-	-	-
Borrowings-current	-	50,00,000	-	50,00,000
Total	-	50,00,000	-	50,00,000

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 SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

VIJAY MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.05.03
22:26:40 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 May 2021

For and on behalf of the Board of Directors of
ABReL SPV 2 Limited

AMITABH VERMA
Digitally signed by
AMITABH VERMA
Date: 2021.05.03
21:27:40 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 3 May 2021

Pawan Kumar Jain
Digitally signed by
Pawan Kumar Jain
Date: 2021.05.03
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Pawan Kumar Jain
Director
DIN:07833315

ABReL SPV 2 Limited
CIN: U40108MH2020PLC352631
Statement of changes in equity for the period ended 31 March 2021

A) Equity share capital

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Issue of equity share capital (note 6)	5,000	50,000
As at 31 March 2021	5,000	50,000

B) Other equity

Particulars	Surplus in the statement of profit & loss	Total
As at 28 December 2020		
Loss for the period (note 7)	(48,31,060)	(48,31,060)
Closing balance as at 31 March 2021	(48,31,060)	(48,31,060)

Summary of significant accounting policies
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

VIJAY Digitally signed
by VIJAY MANIAR
Date: 2021.05.03
22:27:41 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 May 2021

For and on behalf of the Board of Directors of
ABReL SPV 2 Limited

AMITABH Digitally signed by
VERMA AMITABH VERMA
Date: 2021.05.03
21:27:52 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 3 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.03
21:29:33 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

1. Corporate information

ABReL SPV 2 Limited ('the Company') is a public limited Company incorporated on 28 December 2020 and domiciled in India having its registered office located at A-2, Aditya Birla Centre, S K Ahire Marg, Worli, Mumbai-400 030, Maharashtra, India. Its Holding Company is Aditya Birla Renewables Limited with 100% shareholding.

The primarily business of the Company is to generate and supply solar power.

The financial statements were authorized for issue in accordance with a resolution of the directors on 3 May 2021.

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 Company is currently in project implementation phase and has payables towards inter corporate loan which it intends to pay within twelve months from the end of the reporting period by way of raising equity as approved by the Board of Directors in their meeting held on 10 March 2021. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

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, such as derivatives 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. 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 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. Freehold land is carried at historical cost and is not subject to depreciation. 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
- Office equipment: 3-5 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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.

(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.

The Company has changed the method of calculation of amortization of loan transaction expenses from cash flow basis to straight-line amortization over the tenure of the loan.

(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 and for the purpose of the statement of cash flows 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.

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 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.

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Notes to financial statements for the period ended 31 March 2021

3 Capital work in progress

The details of capital work in progress are as follows:

(in Rs)	
Particulars	As at 31 March 2021
GUVNL Project - Gujarat	6,50,730
Total	6,50,730

4. Cash and cash equivalents

(in Rs)

Particulars	As at 31 March 2021
Balance with banks	
On current accounts	5,37,662
Total	5,37,662

5. Other financial assets

(in Rs)

Particulars	As at 31 March 2021
Security deposits (unsecured, considered good)	10,000
Total	10,000

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6. Equity share capital		(in Rs)
Particulars	As at	31 March 2021
Authorised share capital:		
4,60,00,000 equity shares of Rs. 10 each		46,00,00,000
		46,00,00,000
Issued equity capital		
5,000 equity shares of Rs 10 each issued, subscribed and fully paid		50,000
		50,000

(a) Reconciliation of issued share capital

Particulars	As at 31 March 2021
	(in nos.)
Issue of shares during the period	5,000
Number of shares outstanding at the end of the period	5,000

(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 100% 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 2021	
	Number of shares	% holding
Aditya Birla Renewables Limited	5,000	100%
Total	5,000	100%

7. Other equity		(in Rs)
Particulars	As at	31 March 2021
Loss for the period		(48,31,060)
Total		(48,31,060)

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Notes to financial statements for the period ended 31 March 2021

8. Borrowings (in Rs)

Particulars	As at 31 March 2021
Unsecured	
Current	
Inter corporate loan	50,00,000
Total	50,00,000

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Unsecured				
Inter corporate loan				
Aditya Birla Renewables Limited	50,00,000	50,00,000	8.25%	September 2021

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Notes to financial statements for the period ended 31 March 2021

9. Other financial liabilities

(in Rs)

Particulars	As at 31 March 2021
Provision for expenses	2,76,250
Other payables	89,587
Interest accrued but not due on borrowings	8,363
Payable to related parties (note 15)	
- Reimbursement of expenses	5,85,824
Total	9,60,024

10. Other current liabilities

(in Rs)

Particulars	As at 31 March 2021
Statutory liabilities:	
Tax deducted at source	19,428
Total	19,428

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Notes to financial statements for the period ended 31 March 2021

11. Finance costs **(in Rs)**

Particulars	For the period from 28 December 2020 to 31 March 2021
Interest cost on borrowings	9,074
Total	9,074

12. Other expenses **(in Rs)**

Particulars	For the period from 28 December 2020 to 31 March 2021
Legal and professional fees	35,555
Payment to auditors (refer note below)	2,95,000
Stamp duty on issue of shares	44,79,000
Incorporation expenses	12,431
Total	48,21,986

(in Rs)

Payment to auditors (including GST)	For the period from 28 December 2020 to 31 March 2021
As auditor	
Audit fees	2,95,000
Total	2,95,000

13 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit/loss 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 /loss 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 28 December 2020 to 31 March 2021
Loss attributable to equity holders (in Rs)	(48,31,060)
Weighted average number of equity shares for basic and diluted EPS	5,000
Basic and diluted earnings per share (in Rs)	(966.21)

14 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 19)
- Capital management (note 19)

a) 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

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 Agreements (PPAs) entered into with its customer, Gujarat Urja Vikas Nigam Limited (GUVNL) 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.

b) 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.

i) 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.

ii) Recognition and measurement of provisions and contingencies

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

ABReL SPV 2 Limited
CIN: U40108MH2020PLC352631
Notes to financial statements for the period ended 31 March 2021

15 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the period :

(A) Holding Company

Aditya Birla Renewables Limited (100%)

(B) Ultimate Holding Company

Grasim Industries Limited (through its 100% holding in Aditya Birla Renewables Limited)

(C) Key Managerial personnel

Mr. Pavan Kumar Jain, Director (w.e.f. 28 December 2020)

Mr. Pawan Kumar Jain, Director (w.e.f. 28 December 2020)

Mr. Amitabh Verma, Director (w.e.f. 22 March 2021)

Details of transactions with related parties:		(in Rs.)
Sr. No.	Particulars	For the period from 28 December 2020 to 31 March 2021
1	Allotment of equity shares Aditya Birla Renewables Limited	50,000
		50 000
2	Reimbursement of expenses Aditya Birla Renewables Limited	5,85,824
3	Inter corporate loan taken Aditya Birla Renewables Limited	50,00,000
	Interest on inter corporate loan charged to statement of profit and loss	9,041
		50 09 041

Details of closing balances :		(in Rs.)
Sr. No.	Particulars	As at 31 March 2021
1	Share capital Aditya Birla Renewables Limited	50,000
		50 000
2	Reimbursement of expenses payable Aditya Birla Renewables Limited	5,85,824
3	Inter corporate loan taken Aditya Birla Renewables Limited	50,00,000
	Interest on inter corporate loan capitalised (net of TDS)	8,363

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 2021. 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.

16 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.

- 17 There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the balance sheet date. The said information has been determined to the extent such parties have been identified on the basis of information available with the Company. No interest is paid/payable during the period and no amount is outstanding at the period end. This has been relied upon by the auditors.

18 Categories of Financial Instruments

(in Rs)

Particulars	As at 31 March 2021 Carrying value	As at 31 March 2021 Fair value
Financial assets		
Measured at amortized cost (carrying value approximates the amortized cost) :		
Cash and cash equivalents (note 4)	5,37,662	5,37,662
Other financial assets (note 5)	10,000	10,000
Total	5,47,662	5,47,662
Financial liabilities		
Measured at amortized cost (carrying value approximates the amortized cost) :		
Borrowings (note 8)	50,00,000	50,00,000
Other financial liabilities note 9)	9,60,024	9,60,024
Total	59,60,024	59,60,024

The Company has assessed that cash and cash equivalents, bank balance, other financial assets, borrowings and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

19 Financial risk management objectives and policies

(A) Market risk

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

The Company's activities expose it to market risk, liquidity risk and credit 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 Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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) Foreign exchange risk	Committed commercial transactions, financial assets and liabilities not denominated in Rs	Cashflow forecasting, sensitivity analysis	Forward foreign exchange contracts
b) 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 and other financial assets	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other financial liabilities	Rolling cashflow, Forecasts	Borrowing facilities diversification

Details relating to the risks are provided here below:

(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 50,000. If the rate is decreased by 1%, the profit before tax will increase and pretax 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. Cash and cash equivalents and bank deposits

Credit risk on cash and cash equivalents and bank deposits is generally low as the Company 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 2021	upto 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	50,00,000	-	-	-	50,00,000
Other financial liabilities	9,60,024	-	-	-	9,60,024
Total	59,60,024	-	-	-	59,60,024

(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 capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loan and borrowings, less cash and cash equivalents, excluding discontinued operations.

(in Rs)

Particulars	As at 31 March 2021
Borrowings (note 8)	50,00,000
Less: Cash and cash equivalents (note 4)	5,37,662
Net debt	44,62,338
Equity (note 6 and 7)	(47,81,060)
Gearing ratio	(0.93)

20 Capital commitments

Particulars	As at 31 March 2021
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	-
Total	-

21 There are no contingent liabilities as at 31 March 2021.

22 In accordance with the requirements of Ind AS -12 "Income Taxes", the Company has not recognised deferred tax assets on account of losses as there is no virtual certainty on its realisation as at the reporting date.

23 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on March 31, 2021. The 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.

24 Prior period comparatives

The Company has been incorporated on 28 December 2020. 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

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.03
22:29:59 +05'30'

Per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 3 May 2021

**For and on behalf of Board of Directors of
ABReL SPV 2 Limited**

AMITABH Digitally signed by
VERMA AMITABH VERMA
Date: 2021.05.03
21:28:30 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 3 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.03
21:28:57 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

**ADITYA BIRLA RENEWABLES SUBSIDIARY
LIMITED**

3RD ANNUAL REPORT

2020-21

ADITYA BIRLA RENEWABLES SUBSIDIARY LIMITED

Registered Office: A-4, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India
Corporate Identity Number: U40108MH2018PLC309087
Phone: +91 22 2499 5000, 6652 5000, Fax: +91 22 2499 5821, 6652 5821
Email: abrst@adityabirla.com

BOARD OF DIRECTORS' REPORT

To

The Members of the Company

Aditya Birla Renewables Subsidiary Limited

Your Directors have pleasure in presenting the 3rd (third) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

Particulars	(Amount in Rupees)	
	For the financial year ended 31 March, 2021	For the financial year ended 31 March, 2020
Total Income	16,07,97,881	14,27,75,705
Less : Total Expenses	13,54,24,741	14,05,71,510
Profit/(Loss) before Tax	2,53,73,140	22,04,195
Tax Expenses:		
Current Tax	34,962	-
MAT credit entitlement	-	21,10,836
Deferred Tax	(2,13,02,391)	2,64,99,952
Net Profit / (Loss) for the Year (A)	4,66,40,569	(2,64,06,593)
Other Comprehensive Income / (Loss) (B)	-	-
Total Comprehensive Income / (Loss) for the year (A+B)	4,66,40,569	(2,64,06,593)

2. State of the Company's affairs

The 2 (two) captive solar power plants for Hindalco Industries Limited at Gare Palma Coal Mines, (4.2MWp DC), Milupara in the state of Chhattisgarh and Lapanga (30 MWp DC) at Sambalpur in the state of Odisha are running satisfactorily. The Solar PV Power Plant employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 4,48,81,816 units during the year. The revenue from operations of the Company was Rs. 15,50,42,323 during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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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, 2021.

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, 2021 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 2020-21, 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 venture companies as on March 31, 2021, 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, 2021.

9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

- i. Authorized Share Capital:
Rs. 37,50,00,000 (Rupees Thirty-Seven Crore Fifty Lakh Only) divided into 3,75,00,000 (Three Crore Seventy-Five Lakh) Equity shares of Rs. 10 each.
- ii. Issued, Paid-up and Subscribed Capital:
Rs. 26,52,00,000 (Rupees Twenty-Six Crore Fifty-Two Lakh Only) divided into 2,65,20,000 (Two Crore Sixty-Five Lakh Twenty Thousand) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, were the Directors of the Company since incorporation of the Company. Further, during the year, Mr. Ravinder Khanna ceased to be a Director due to his untimely and sad demise on March 14, 2021. Subsequently, Mr. Amitabh Verma was appointed as an Additional Director of the Company with effect from May 6, 2021 to hold office upto the date of ensuing Annual General meeting.

Corporate Office: Birla Aurora, 11th Floor, Dr. Annie Besant Road, Worli, Mumbai - 400 030, Maharashtra, India
T: +91 22 2439 9220 / 6110 9720

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All the Directors of your Company including Independent Directors have given requisite declarations pursuant to section 164 of the Companies Act, 2013 that they are not disqualified to be appointed as the Directors of your Company.

Independent Directors:

Mr. V. Chandrasekaran (DIN:03126243), Independent Director of the Company resigned with effect from January 05, 2021. Further Mr. Subhash Chandra Bhargava (DIN: 00020021) was appointed as an Additional Director (Non-Executive and Independent) with effect from February 01, 2021 to hold office up to the date of the next Annual General Meeting of the Company or the last date on which the next Annual General Meeting of the Company should have been held, whichever is earlier and subject to the members approval at the ensuing General Meeting for a term of 5 (five) consecutive years commencing from February 01, 2021 to January 31, 2026

The Company has received declarations from Mr. Bhupendranath Bhargava (DIN: 00001823) and Mr. Subhash Chandra Bhargava (DIN: 00020021), Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

The Board of Directors of the Company are of the opinion that the Independent Directors of the Company are people of integrity and they hold eminent expertise and relevant experience to be appointed as the Independent Director of the 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, 2021 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 2020-21 (DD/MM/YY)			
	23/05/20	23/07/20	29/10/20	25/01/21
Mr. Pavan K. Jain	√	√	√	√
Mr. Ravinder Khanna (upto March 14, 2021)	√	√	√	√
Mr. Pawan Kumar Jain	√	√	√	√
Mr. Bhupendranath Bhargava	√	√	√	√
Mr. V. Chandrasekaran (upto January 05, 2021)	√	√	√	N.A.
Mr. Subhash Chandra Bhargava (w.e.f. February 01, 2021)	N.A.	N.A.	N.A.	N.A.

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 –

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- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- (b) 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;
- (c) 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;
- (d) The Directors have prepared the annual accounts on a going concern basis; and
- (e) 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

The Company had constituted Audit Committee and Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company pursuant to section 177 and 178 of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors Rules) 2014 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. During the financial year 2020-21 the composition of the Audit Committee changed as follows:

- Mr. V. Chandrasekaran, Chairman of the Audit Committee resigned as an Independent Director with effect from January 05, 2021 and thereby ceased to be the Chairman and member of the Audit Committee.
- Mr. Subhash Chandra Bhargava appointed as the Member and Chairman of the Audit Committee with effect from February 01, 2021.
- Mr. Ravinder Khanna ceased to be member of the Audit Committee w.e.f. March 14, 2021 due to his sad demise.

Further, Mr. Pavan K. Jain was inducted as a member of the Audit Committee with effect from May 06, 2021.

During the financial year 2020-21 the composition of the Nomination & Remuneration Committee changed as follows:

- Mr. V. Chandrasekaran, Member of the Nomination & Remuneration Committee resigned as an Independent Director with effect from January 05, 2021 and thereby ceased to be member of the Nomination and Remuneration Committee.
- Mr. Subhash Chandra Bhargava inducted as a Member of the Nomination & Remuneration Committee with effect from February 01, 2021.

The Composition of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company and the number of committee meetings held during the financial year 2020-21 are given below.

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(A) Audit Committee:

Committee Member	Designation
Mr. V. Chandrasekaran (upto January 05, 2021)	Chairman
Mr. Subhash Chandra Bhargava (w.e.f. February 01, 2021)	Chairman
Mr. Bhupendranath Bhargava	Member
Mr. Ravinder Khanna (upto March 14, 2021)	Member
Mr. Pavan K. Jain (w.e.f. May 6, 2021)	Member

The details of number of meetings of the Audit Committee of the Board of Directors of the Company held during the financial year ended on March 31, 2021 and attendance of the Members at such meetings are as under:

Name of Member	Attendance of the Members at the Audit Committee Meetings held during the financial year 2020-21 (DD/MM/YY)			
	23/05/20	23/07/20	29/10/20	25/01/21
Mr. V. Chandrasekaran	✓	✓	✓	N.A.
Mr. Bhupendranath Bhargava	✓	✓	✓	✓
Mr. Ravinder Khanna	✓	✓	✓	✓
Mr. Subhash Chandra Bhargava	N.A.	N.A.	N.A.	N.A.

(B) Nomination and Remuneration Committee:

Committee Member	Designation
Mr. Bhupendranath Bhargava	Chairman
Mr. V. Chandrasekaran (Upto January 05, 2021)	Member
Mr. Subhash Chandra Bhargava (w.e.f. February 01, 2021)	Member
Mr. Pawan Kumar Jain	Member

The details of number of meetings of the Nomination and Remuneration Committee of the Board of Directors of the Company held during the financial year ended on March 31, 2021 and attendance of the Members at such meetings are as under:

Name of Member	Attendance of the Members at the Nomination and Remuneration Committee Meeting held during the financial year 2020-21 (DD/MM/YY)
	25/01/2021
Mr. Bhupendranath Bhargava	✓
Mr. V. Chandrasekaran	N.A.
Mr. Subhash Chandra Bhargava	N.A.
Mr. Pawan Kumar Jain	✓

14. Performance evaluation of the Board, its Committees and Individual Directors including the Chairman of the Board and the Managing Director of the Company

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, its Committees and performance of the Individual Directors including Chairman of the Board and the Managing Director of the Company. Feedback was sought by way of a

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structured questionnaire covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors.

15. Corporate Social Responsibility (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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.

16. Disclosure of issue of equity shares with differential rights

During the financial year 2020-21, 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.

17. Disclosure of issue of sweat equity shares

During the financial year 2020-21, 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.

18. 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 (Share Capital and Debentures) Rules, 2014 are not applicable.

19. 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.

20. Key Managerial Personnel

During financial year 2020-21, there were no changes in the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Key Managerial Personnel of the Company are as follows:

- Mr. Pavan K Jain, Managing Director and Key Managerial Personnel of the Company
- Mr. Mahendra Bhandari, Chief Financial Officer and Key Managerial Personnel of the Company
- Ms. Shweta Mayekar, Company Secretary and Key Managerial Personnel of the Company

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21. Establishment of vigil mechanism

The Board of Directors at its meeting held on May 10, 2019 had adopted the revised Whistle Blower Policy/Vigil Mechanism ("the Policy" or "this Policy") of the Company. The vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism. Further there is a provision to access Chairman of the Audit Committee directly in exceptional cases. As the Company does not have any website, the Vigil Mechanisms Policy is not placed on the website. Further, there were no alleged wrongful conduct received/noticed during the financial year ended on March 31, 2021.

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

Mr. Pavan K. Jain, Managing Director of the Company has not received any commission from the Company or its holding company during the financial year 2020-21 and as such, the disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

23. 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.

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

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. The Remuneration Policy of the Company was adopted by the Board of Directors of the Company on May 10, 2019 as annexed to this report as **Annexure – A**.

25. Statutory Auditors

M/s. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) are appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 1st (first) Annual General Meeting till the conclusion of the 6th (sixth) Annual General Meeting.

26. 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

ADITYA BIRLA RENEWABLES SUBSIDIARY LIMITED

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27. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

28. Cost Records

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21 the company is not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21, the Company has not given any loan or guarantees or provided any security or made any investment pursuant to provisions of section 186 of the Companies Act, 2013.

30. 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 19, 2018 and is available at the registered office of the Company. During the financial year 2020-21, no contracts/ arrangements/transactions were entered into by the Company with Related Parties which requires disclosure in Form AOC-2 pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014.

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

During the financial year 2020-21, 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 |

32. 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.

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33. 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.

34. 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 19, 2018. 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.

35. 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:
 - (a) Use of Energy Efficient LED street lights instead of conventional CFL light to save 30% electricity consumption, also use of energy efficient three star Air conditioner.
 - (b) Plant lights operation is controlled through automated system to optimize the electricity consumption.
- (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:
 - (a) Started dry cleaning for PV module by using micro dust removal cotton wipers.
 - (b) Semi-Robotic Module cleaning system at one of the plants.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 - (a) Reduction on water consumption.
- (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

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(iv) The expenditure incurred on Research and Development - Nil

(C) Foreign exchange earnings and outgo - Nil

36. 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.

37. 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 2020-21, 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.

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

Since the Company has been incorporated on May 8, 2018, the revision of Financial Statements or Board of Directors Report of preceding three financial years is not applicable to the Company, nor the Company has gone for any revision of Financial Statements or Board of Directors Report for any year.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

40. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

41. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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42. 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 2020-21.

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



(Pavan K. Jain)

Managing Director

DIN: 00703624

(Pawan Kumar Jain)

Director

DIN: 07833315

Place: Mumbai

Date: May 06, 2021

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ANNEXURE -A

REMUNERATION POLICY OF ADITYA BIRLA RENEWABLES SUBSIDIARY LIMITED

1. PREFACE

- 1.1 Section 178 of the Companies Act, 2013 requires that the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. It further requires that the Nomination and Remuneration Committee shall formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 1.2 As per Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of directors of every listed public company and a company covered under Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 shall constitute a 'Nomination and Remuneration Committee of the Board'. Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 covers the following class or classes of companies:
 - (i) the Public Companies having paid up share capital of ten crore rupees or more; or
 - (ii) the Public Companies having turnover of one hundred crore rupees or more; or
 - (iii) the Public Companies which have, in aggregate, outstanding loans, debentures and deposits, exceeding fifty crore rupees
- 1.3 In view of above, Aditya Birla Renewables Subsidiary Limited ("ABRSL" or "Company"), has adopted this Remuneration Policy at the meeting of the Board of Directors of the Company held on May 10, 2019.

2. POLICY OBJECTIVE

- 2.1 The Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and growth oriented business market. The policy reflects the Company's objectives for good corporate governance as well as creating value for all stakeholders in long-term.
- 2.2 The Remuneration Policy applies to the Company's senior management, including its Key Managerial Personnel (KMP) and Board of Directors.

3. GUIDING PRINCIPLES

- 3.1 The guiding principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.
- 3.2 The remuneration policy for executives reflects the overriding remuneration philosophy and principles of the Company. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Remuneration Committee considers pay and employment conditions with peers/elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

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- 3.3 The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.
- 3.4 The Remuneration Committee while considering a remuneration package must ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- 3.5 The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

4. REWARD PRINCIPLES AND OBJECTIVES

- 4.1 The Remuneration Policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

5. REWARD POLICIES

- 5.1 **Attract and retain:** Remuneration packages are designed to attract high-calibre executives in a competitive market and remunerate executives fairly and responsibly. The Remuneration shall be competitive and based on the individual responsibilities and performance.
- 5.2 **Motivate and reward:** Remuneration is designed to motivate delivery of key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short and long-term.

6. COMPENSATION STRUCTURE

6.1 Remuneration to Executive Directors and Key Managerial Personnel (KMP)

The Company has a transparent framework in determining and accounting for remuneration of the Managing Director/Whole Time Directors (MD/WTDs) and Key Managerial Personnel (KMP). Their remuneration shall be governed by the external environment, track record, potential, individual performance and performance of the Company as well as industry standards. The remuneration for the MD/WTDs and KMP are subject to such approvals as prescribed pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.

The MD/WTDs and KMP may be paid such token remuneration and/or full/part remuneration as per group policy of the Company, taking into consideration various other factors related to such remuneration.

6.2 Remuneration to Non-Executive Directors and Independent Directors

The Non-Executive Independent Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors/Committees and are not paid any other remuneration or commission. The sitting fees paid to such directors for attending meetings of Board of Directors/Committees would be as may be recommended by Nomination and Remuneration Committee and thereafter approved by the Board of Directors of the Company from time to time. Besides sitting fees, such directors are also entitled to reimbursement of travelling and other expenses

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for attending the meeting of the Board of Directors. The other Non- Executive Directors/ Executive Directors shall not be paid any remuneration for attending the meetings of the Board of Directors or Committees thereof.

6.3 Remuneration to other employees

The remuneration of employees other than Executive Directors, Key Managerial Personnel, Non-Executive Directors and Independent Directors is determined based on the industry scenario, qualification, experience, track record etc. The Managing Director or other senior management personnel periodically review and approve the revision in remuneration of such employees, after internal assessment and review.

The above criteria and policy are subject to review by the Nomination and Remuneration Committee and the Board of Directors of the Company

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





**(Pawan K. Jain)
Managing Director**

DIN: 00703624



**(Pawan Kumar Jain)
Director**

DIN: 07833315

Place: Mumbai

Date: May 06, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Renewables Subsidiary 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 Subsidiary Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 2021, 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 Ind AS 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 Auditors' 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 Ind AS 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.

Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report

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 Ind AS 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.

Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended 31 March 2021 has been provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report

- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.06
23:47:21 +05'30'

per Vijay Maniar
Partner
Membership Number: 36738
UDIN: 21036738AAAACX8422
Place of Signature: Mumbai
Date: 06 May 2021

**Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report**

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 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 services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, provident fund, sales-tax, service tax, duty of custom, 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, 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 employees' state insurance, provident fund, duty of custom, sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, cess, which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, provident fund, duty of custom, 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.

Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report

- (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 provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 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.
- (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.
- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY

Digitally signed
by VIJAY MANIAR

MANIAR

Date: 2021.05.06
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per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACX8422
Place of Signature: Mumbai
Date: 06 May 2021

Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables Subsidiary Limited ("the Company") as of 31 March 2021 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

**Aditya Birla Renewables Subsidiary Limited
Independent Auditor's Report**

(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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAYDigitally signed by
VIJAY MANIAR**MANIAR**Date: 2021.05.06
23:49:47 +05'30'

per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACX8422
Place of Signature: Mumbai
Date: 06 May 2021

(in Rs)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non current assets			
Property, plant and equipment	3	1,14,55,10,326	1,18,50,69,405
Other financial assets	4	4,65,83,862	1,50,000
Non current tax assets (net)	5	1,89,237	37,41,013
		1,19,22,83,425	1,18,89,60,418
Current assets			
Financial assets			
Investments	6	1,51,74,305	-
Trade receivables	7	3,42,290	32,29,850
Cash and cash equivalents	8	1,43,43,938	3,42,09,783
Bank balances other than cash and cash equivalents	9	2,66,56,884	1,76,02,500
Other financial assets	10	1,61,02,432	1,50,67,457
Other current assets	11	1,10,08,017	1,33,76,748
		8,36,27,866	8,34,86,338
Total assets		1,27,59,11,291	1,27,24,46,756
Equity and liabilities			
Equity			
Equity share capital	12	26,52,00,000	26,52,00,000
Other equity	13	2,54,57,289	(2,11,83,280)
Total equity		29,06,57,289	24,40,16,720
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	14	88,22,42,827	97,66,10,376
Deferred tax liabilities (net)	15	1,04,48,596	3,17,50,987
		89,26,91,423	1,00,83,61,363
Current liabilities			
Financial liabilities			
Trade payables	16		
Total outstanding dues of micro and small enterprises		15,35,323	-
Total outstanding dues of creditors other than micro and small enterprises		5,47,168	11,65,509
Other financial liabilities	17	9,03,55,463	1,87,66,051
Other current liabilities	18	1,24,625	1,37,113
		9,25,62,579	2,00,68,673
Total liabilities		98,52,54,002	1,02,84,30,036
Total equity and liabilities		1,27,59,11,291	1,27,24,46,756

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

VIJAY Digitally signed
by VIJAY MANIAR
Date: 2021.05.06
23:50:55 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

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

Pavan Kumar Jain Digitally signed
by Pavan Kumar Jain
Date: 2021.05.06
23:34:07 +05'30'

Pavan K. Jain
Managing Director
DIN: 00703624

Pawan Kumar Jain Digitally signed by
Pawan Kumar Jain
Date: 2021.05.06
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Pawan Kumar Jain
Director
DIN:07833315

Mahendra Bhandari Digitally signed by
Mahendra Bhandari
Date: 2021.05.06
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Mahendra Bhandari
Chief Financial Officer

SHWETA SUNIL MAYEKAR Digitally signed by
SHWETA SUNIL MAYEKAR
Date: 2021.05.06
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Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai
Date: 6 May 2021

Aditya Birla Renewables Subsidiary Limited
CIN: U40108MH2018PLC309087
Statement of profit and loss for the year ended 31 March 2021

(in Rs.)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	19	15,50,42,323	13,82,69,901
Other income	20	57,55,558	45,05,804
Total income		16,07,97,881	14,27,75,705
Expenses			
Operation and maintenance expenses		1,24,15,703	1,19,24,431
Depreciation expenses	21	4,14,09,893	3,93,12,089
Finance costs	22	7,01,22,960	8,25,93,107
Other expenses	23	1,14,76,185	67,41,883
Total expenses		13,54,24,741	14,05,71,510
Profit for the year before tax		2,53,73,140	22,04,195
Tax expenses			
Current tax		34,962	-
Deferred tax	15	(2,13,02,391)	2,64,99,952
MAT credit entitlement		-	21,10,836
Total tax expenses		(2,12,67,429)	2,86,10,788
Net profit/(loss) for the year after tax		4,66,40,569	(2,64,06,593)
Other comprehensive income		-	-
Total comprehensive income for the year		4,66,40,569	(2,64,06,593)
Earnings per equity share of Rs. 10 each			
Basic and diluted	24	1.76	(1.06)

Summary of significant accounting policies 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

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.06
23:52:07 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 6 May 2021

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

Pavan Kumar Jain Digitally signed by
Pavan Kumar Jain
Date: 2021.05.06
23:35:05 +05'30'

Pavan K. Jain
Managing Director
DIN: 00703624

Mahendra Bhandari Digitally signed
by Mahendra Bhandari
Date: 2021.05.06
23:12:33 +05'30'

Mahendra Bhandari
Chief Financial Officer

Pawan Kumar Jain Digitally signed by
Pawan Kumar Jain
Date: 2021.05.06
23:01:17 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

SHWETA SUNIL MAYEKAR Digitally signed
by SHWETA SUNIL MAYEKAR
Date: 2021.05.06
22:57:56 +05'30'

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai
Date: 6 May 2021

Cash Flow Statement for the year ended 31 March 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit for the year before tax	2,53,73,140	22,04,195
Adjustments for:		
Depreciation expenses	4,14,09,893	3,93,12,089
Finance costs	7,01,11,647	8,25,89,068
Interest income	(30,75,674)	(45,05,804)
Unrealized gain on mutual fund	(1,75,055)	-
Stamp duty on issue of shares	-	13,26,921
Operating profit before working capital changes	13,36,43,951	12,09,26,469
Working capital adjustments		
Increase in other financial and current assets	(17,92,436)	(16,66,864)
(Increase)/decrease in trade receivables	28,87,560	(32,29,850)
Increase in trade payables	9,16,982	5,26,526
Increase in other financial liabilities and current liabilities	9,80,448	17,13,723
Cash generated from operating activities	13,66,36,505	11,82,70,004
Income taxes paid/refund	35,16,814	16,46,850
Cash generated from operating activities	14,01,53,319	11,66,13,154
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,85,59,475)	(14,64,83,418)
Interest received	25,98,834	44,72,340
Fixed deposits of original maturity of more than three months (placed)/redeemed	(5,54,88,246)	81,97,500
Investment in mutual funds	(1,49,99,250)	-
Cash used in investing activities	(8,64,48,137)	(13,18,13,178)
Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium	-	4,44,21,000
Payment of stamp duty on issue of shares	-	(13,26,921)
Proceeds from borrowings	-	10,17,23,772
Loan processing charges	(34,86,220)	(32,94,844)
Repayment of long term borrowings	(70,73,638)	-
Interest paid on borrowings	(6,30,11,168)	(11,24,61,855)
Cash generated from/used in financing activities	(7,35,71,026)	2,90,61,152
Net increase in cash and cash equivalents	(1,98,65,845)	1,18,70,928
Cash and cash equivalents at beginning of the year	3,42,09,783	2,23,38,855
Cash and cash equivalents at the end of the year (note 8)	1,43,43,938	3,42,09,783

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

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	28,43,938	42,09,783
Fixed deposits with original maturity of less than three months	1,15,00,000	3,00,00,000
Total	1,43,43,938	3,42,09,783

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

Reconciliation of liabilities from financing activities for the year ended 31 March 2021

Particulars	As at 31 March 2020	Cashflows (Net)	Non cash changes/transaction costs	As at 31 March 2021
Borrowings-non-current including current maturity of long term borrowings	97,66,10,376	(70,73,638)	11,226	96,95,47,964
Total	97,66,10,376	(70,73,638)	11,226	96,95,47,964

Reconciliation of liabilities from financing activities for the year ended 31 March 2020

Particulars	As at 31 March 2019	Cashflows (Net)	Non cash changes/transaction costs	As at 31 March 2020
Borrowings-non-current including current maturity of long term borrowings	87,38,76,716	10,17,23,772	(10,09,887)	97,66,10,376
Total	87,38,76,716	10,17,23,772	(10,09,887)	97,66,10,376

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

VIJAY
Digitally signed
by VIJAY MANIAR
Date: 2021.05.06
23:53:22 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 6 May 2021

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

Pavan Kumar Jain
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Date: 2021.05.06
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Pavan K. Jain
Managing Director
DIN: 00703624

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Mahendra Bhandari
Chief Financial Officer

Pawan Kumar Jain
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Date: 2021.05.06
23:01:32 +05'30'

Pawan Kumar Jain
Director
DIN: 07833315

SHWETA SUNIL MAYEKAR
Digitally signed by
SHWETA SUNIL
MAYEKAR
Date: 2021.05.06
22:58:10 +05'30'

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai
Date: 6 May 2021

A) Equity share capital

Particulars	Number of shares	Amount (in Rs)
Equity shares of Rs. 10 each issued, subscribed and fully paid As at 1 April 2019	2,65,20,000	26,52,00,000
Issue of equity share capital (note 12) As at 31 March 2020	-	-
	2,65,20,000	26,52,00,000
As at 1 April 2020	2,65,20,000	26,52,00,000
Issue of equity share capital (note 12) As at 31 March 2021	-	-
	2,65,20,000	26,52,00,000

B) Other equity

Particulars	Surplus in the statement of profit & loss	Securities premium	Total
As at 1 April 2019	50,02,313	-	50,02,313
Additions during the year (note 13)	(2,64,06,593)	2,21,000	(2,61,85,593)
As at 31 March 2020	(2,14,04,280)	2,21,000	(2,11,83,280)
Additions during the year (note 13)	4,66,40,569	-	4,66,40,569
As at 31 March 2021	2,52,36,289	2,21,000	2,54,57,289

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

VIJAY MANIAR
Digitally signed by VIJAY MANIAR
Date: 2021.05.06 23:54:34 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 6 May 2021

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

Pavan Kumar Jain
Digitally signed by Pavan Kumar Jain
Date: 2021.05.06 23:36:23 +05'30'

Pavan K. Jain
Managing Director
DIN: 00703624

Mahendra Bhandari
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Mahendra Bhandari
Chief Financial Officer

Pawan Kumar Jain
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Date: 2021.05.06 23:01:50 +05'30'

Pawan Kumar Jain
Director
DIN: 07833315

SHWETA SUNIL MAYEKAR
Digitally signed by SHWETA SUNIL MAYEKAR
Date: 2021.05.06 22:58:37 +05'30'

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

Place: Mumbai
Date: 6 May 2021

Aditya Birla Renewables Subsidiary Limited

CIN: U40108MH2018PLC309087

Notes to financial statements for the year ended 31 March 2021

1. Corporate information

Aditya Birla Renewables Subsidiary Limited ('the Company') is a public limited Company incorporated on 08 May 2018 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 Hindalco Industries 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 plants of Hindalco Industries Limited for captive consumption purpose.

The financial statements were authorized for issue in accordance with a resolution of the directors on 6 May 2021.

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, such as derivatives 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. 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 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. Freehold land is carried at historical cost and is not subject to depreciation. 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
- Office equipment: 3-5 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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.

(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.

The Company has changed the method of calculation of amortization of loan transaction expenses from cash flow basis to straight-line amortization over the tenure of the loan.

(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 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.

Note 3 Property, plant and equipment

Sr. No.	Particulars	Location	Gross Block			Depreciation			Net Block	
			At 1 April 2020	Additions	Transfers	At 31 March 2021	Charge for the year	Transfers	At 31 March 2021	At 31 March 2021
1	Plant and equipment	Lapanga (30 MWp DC) GP Mines (4.2 MWp)	1,10,30,73,369 12,37,02,624	9,48,720 -	- -	1,10,40,22,089 12,37,02,624	3,67,91,195 41,22,396	- -	8,86,08,648 62,20,923	1,01,54,13,441 11,74,81,701
2	Building	GP Mines (4.2 MWp) Lapanga (30 MWp DC)	30,59,138 93,67,894	9,02,092 -	- -	39,61,230 93,67,894	1,24,993 3,13,295	- -	1,77,281 7,24,224	37,83,949 86,43,670
3	Office equipment	Lapanga (30 MWp DC)	2,68,050	-	-	2,68,050	58,014	-	80,486	1,87,564
Total			1,23,94,71,075	18,50,812	-	1,24,13,21,887	4,14,09,893	-	9,58,11,562	1,14,55,10,326

As at 31 March 2020

Sr. No.	Particulars	Location	Gross Block			Depreciation			Net Block	
			At 1 April 2019	Additions	Transfers	At 31 March 2020	Charge for the year	Transfers	At 31 March 2020	At 31 March 2020
1	Plant and equipment	Lapanga (30 MWp DC) GP Mines (4.2 MWp)	1,10,02,66,532 -	28,06,836 12,37,02,624	- -	1,10,30,73,369 12,37,02,624	3,68,37,029 20,98,527	- -	5,18,17,453 20,98,527	1,05,12,55,915 12,16,04,097
2	Building	GP Mines (4.2 MWp) Lapanga (30 MWp DC)	- 89,79,674	30,59,138 3,88,220	- -	30,59,138 93,67,894	52,288 3,01,773	- -	52,288 4,10,929	30,06,850 89,56,965
3	Office equipment	Lapanga (30 MWp DC)	-	2,68,050	-	2,68,050	22,472	-	22,472	2,45,578
Total			1,10,92,46,206	13,02,24,868	-	1,23,94,71,075	3,93,12,089	-	5,44,01,669	1,18,50,69,405

Property, plant and equipment pledged as security

Property, plant and equipment has been pledged as security for borrowings by the Company (note 14).

Capitalised borrowing costs

During the year, the amount of borrowing costs capitalised is Rs Nil (31 March 2020: Rs 4,65,026). The rates for borrowings from banks is as mentioned in note 14.

Note 4 Other financial assets (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity period of more than twelve months	4,64,33,862	-
Security deposits unsecured, considered good	1,50,000	1,50,000
Total	4 65.83.862	1 50.000

Note 5 Non current tax assets (net) (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax and TDS receivable (net of provision Rs.34.962 (31 March 2020: Rs.Nil))	1,89,237	37,41,013
Total	1.89.237	37.41.013

Note 6 Investments (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Investments measured at fair value through profit and loss (FVTPL)		
Investments in mutual funds (quoted)		
Nippon- Money Market Fund - Growth (No. of units - March 31, 2021 : 1582.914 , No. of units - March 31, 2020 : Nil)	50,59,157	-
Aditya Birla Sun Life Money Manager Fund - Growth (No. of units - March 31, 2021 : 35,496.705 , No. of units - March 31, 2020 : Nil)	1,01,15,148	-
Total	1 51.74.305	-

Note 7 Trade receivables (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Receivables from related party (note 26)	-	32,29,850
Other receivables	3,42,290	-
Total	3 42.290	32 29.850

Break up for security details (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good	3,42,290	32,29,850
Trade receivables which have significant increase in credit risk [note 30(D)(a)]	-	-
Trade receivables - credit impaired [note 30(D)(a)]	-	-
Total	3,42,290	32,29,850

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 26.

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

Note 8 Cash and cash equivalents (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	28,43,938	42,09,783
Deposits with original maturity of less than three months	1,15,00,000	3,00,00,000
Total	1 43.43.938	3 42.09.783

Note 9 Bank balances other than cash and cash equivalents (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity period of more than three months but less than twelve months	2,66,56,884	1,76,02,500
Total	2 66.56.884	1 76.02.500

Note 10 Other financial assets (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Accrued interest on deposits	6,06,075	1,29,235
Unbilled revenue from related party (note 26)	1,54,96,357	1,49,38,222
Total	1 61.02.432	1 50.67.457

Note 11 Other current assets (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Prepayments	1,09,10,006	1,33,58,939
Balances with government authorities	5,307	1,850
Other advances	92,704	15,959
Total	1 10.08.017	1 33.76.748

Note 12 Equity share capital

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised share capital:		
3,75,00,000 (31 March 2020: 3,75,00,000) equity shares of Rs. 10 each	37,50,00,000	37,50,00,000
	37,50,00,000	37,50,00,000
Issued equity capital		
2,65,20,000 (31 March 2020: 2,65,20,000) Equity shares of Rs. 10 each (issued, subscribed and fully paid)	26,52,00,000	26,52,00,000
	26,52,00,000	26,52,00,000

(a) Reconciliation of issued equity share capital

(in nos.)

Particulars	As at 31 March 2021	As at 31 March 2020
Number of shares outstanding at beginning of the year	2,65,20,000	2,21,00,000
Issue of shares during the year	-	44,20,000
Number of shares outstanding at the end of the year	2,65,20,000	2,65,20,000

(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 Hindalco Industries 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% equity shares in the Company:

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Aditya Birla Renewables Limited	1,96,24,800	74%	1,96,24,800	74%
Hindalco Industries Limited	68,95,200	26%	68,95,200	26%
Total	2,65,20,000	100%	2,65,20,000	100%

Note 13 Other equity

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Surplus in the statement of profit and loss		
Opening balance	(2,14,04,280)	50,02,313
Additions during the year	4,66,40,569	(2,64,06,593)
Closing balance	2,52,36,289	(2,14,04,280)
Securities premium		
Opening balance	2,21,000	-
Additions during the year	-	2,21,000
Closing balance	2,21,000	2,21,000
Total	2,54,57,289	(2,11,83,280)

Nature & purpose of reserve

Securities premium is credited when shares are issued at premium. It can be used for the purposes mentioned in Section 52 of the Companies Act, 2013.

Aditya Birla Renewables Subsidiary Limited
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Notes to financial statements for the year ended 31 March 2021
Note 14 Borrowings
(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Non current		
Secured		
Letter of credit discounted	96,95,47,964	97,66,10,376
Current		
Current maturity of long term debt (note 17)	8,73,05,137	-
Total	88,22,42,827	97,66,10,376

Summary of borrowing arrangements

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Letter of credit discounted				
ICICI Bank Limited	87,30,51,366	86,80,25,746	5.75% - 7.50%	The loan is repayable in such structured quarterly instalments beginning from 31 December 2019. The letter of credit on its maturity will be converted into a term loan with ICICI Bank having the repayment terms as mentioned above. However, the maturity of the loan shouldn't exceed beyond 31 December 2039
Ratnakar Bank Limited	10,17,23,772	10,15,22,218	5.95% - 7.90%	The loan is repayable in such structured quarterly instalments beginning from 30 June 2021. The letter of credit on its maturity will be converted into a term loan with Ratnakar Bank Limited having the repayment terms as mentioned above. However, the maturity of the loan shouldn't exceed beyond 31 March 2040

Security

The above borrowing arrangements are secured as follows:

- 1) First charge on the assets of the project, both present and future, located at GP mines and Lapanga.
- 2) Exclusive charge on respective project's current assets, all cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, uncalled capital, present and future.
- 3) Exclusive charge on respective collection account, debt service reserve account and other reserves and any other bank accounts of the borrower 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 networth ratio and fixed asset coverage ratio. These covenants are to be tested as per the terms and conditions of the respective loan agreements. The Company has not defaulted on any loans which were due for payment.

Note 15 Deferred tax liabilities (net)

(in Rs)

Particulars	As at 31 March 2020	Charge for the year	As at 31 March 2021
Deferred tax liabilities			
Accelerated depreciation for tax purposes	15,99,86,829	3,42,15,873	19,42,02,702
	15,99,86,829	3,42,15,873	19,42,02,702
Deferred tax assets			
Preliminary expenses	(1,938)	646	(1,292)
Business loss (note a)	(12,82,33,904)	(5,55,18,910)	(18,37,52,814)
	(12,82,35,842)	(5,55,18,264)	(18,37,54,106)
Deferred tax liabilities (net)	3,17,50,987	(2,13,02,391)	1,04,48,596

Notes:

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.)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax as per the statement of profit and loss	2,53,73,140	22,04,195
Statutory tax rate applicable	25.17%	25.17%
Computed tax expense	63,86,419	5,54,796
Income tax effect of:		
Non deductible expenses	336	3,33,959
Impact of additional depreciation in opening WDV of fixed assets as per income tax notification	(2,76,93,709)	-
Loan transaction expenses on borrowings	-	(17,38,274)
Impact of adoption of new tax rates and change in tax rates	-	2,94,60,307
Others	39,525	-
Total	(2,76,53,849)	2,80,55,992
Tax expense recognised in the statement of profit and loss	(2,12,67,429)	2,86,10,788
Effective tax rate	-83.82%	1298.02%

Note 16 Trade payables

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro and small enterprises (note 28)	15,35,323	-
Total outstanding dues of creditors other than micro and small enterprises (including related party due {note 26})	5,47,168	11,65,509
Total	20,82,491	11,65,509

Terms and conditions of the above trade payables:

Trade payables are non interest bearing and credit period varies as per the terms of the contract/work order/purchase order executed with each vendor.

Note 17 Other financial liabilities

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Liability for capital expenditure (including related party dues {note 26})	-	1,67,08,661
Provision for expenses	19,35,225	19,49,392
Current maturity of long term debt (note 14)	8,73,05,137	-
Other payables	8,58,245	1,07,998
Payable to related parties (note 26)		
- Deputation charges	2,56,856	-
Total	9,03,55,463	1,87,66,051

Note 18 Other current liabilities

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liability		
Tax deducted at source	1,24,625	1,37,113
Total	1,24,625	1,37,113

Note 19 Revenue from operations		(in Rs)
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Solar power generation		
30 MWp DC at Lapanga, Odisha (note 26)	13,61,43,624	12,88,00,538
4.2 MWp DC at G P Mines, Chattisgarh (note 26)	1,85,93,083	69,91,261
Other operating income		
Recovery due to loss of revenue	-	24,66,102
VCS Income	3,05,616	-
Sale of scrap	-	12,000
Total	15,50,42,323	13,82,69,901

The Company has only one principal customer i.e., Hindalco Industries Limited for all its solar power projects. The Company has entered into Power Purchase Agreements (PPAs) 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 2021	As at 31 March 2020
Contract assets	-	-
Contract liabilities	-	-
Receivables		
Trade receivables (note 26)	-	32,29,850
Unbilled revenue from related party (note 26)	1,54,96,357	1,49,38,222
Total	1,54,96,357	1,81,68,072

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 recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company recognises 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. Hence, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

Note 20 Other income		(in Rs)
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Insurance claim	23,19,333	-
Interest income	30,75,674	45,05,804
Interest on income tax refund	1,85,496	-
Unrealized gain on mutual fund	1,75,055	-
Total	57,55,558	45,05,804

Note 21 Depreciation expenses		(in Rs)
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on property, plant and equipment	4,14,09,893	3,93,12,089
Total	4,14,09,893	3,93,12,089

Note 22 Finance costs		(in Rs)
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on borrowings	7,01,11,647	8,25,89,068
Bank charges	11,313	4,039
Total	7,01,22,960	8,25,93,107

Note 23 Other expenses		(in Rs)
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Insurance expenses	14,11,249	9,87,633
Legal and professional fees	3,66,934	5,32,786
Payment to auditors (refer details below)	7,20,626	8,42,936
Repairs and maintenance expenses	40,44,063	15,86,398
Managerial remuneration	2	2
Director sitting fees	6,01,800	6,72,600
Stamp duty on issue of equity shares	-	13,26,921
Office rent	18,87,524	-
Deputation charges	16,73,720	-
Miscellaneous expenses	7,70,267	7,92,407
Total	1,14,76,185	67,41,883

		(in Rs)
Payment to auditors (including GST)	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditors		
Audit Fees	6,25,400	6,25,400
Tax audit fees	95,226	1,64,846
Reimbursement of expenses	-	52,690
Total	7,20,626	8,42,936

24 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) 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 computation:

Particulars	As at 31 March 2021	As at 31 March 2020
Profit attributable to equity holders (in Rs)	4,66,40,569	(2,64,06,593)
Weighted average number of equity shares for basic and diluted EPS	2,65,20,000	2,49,62,131
Basic and diluted earnings per share (in Rs)	1.76	(1.06)

25 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 risk management and policies (note 30)
- Capital management (note 30)

a) 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 contracts 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 Agreements (PPAs) entered into with its customer, Hindalco Industries 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.

b) 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.

i) Taxes

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

ii) Useful lives of property, plant and equipment

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.

iii) Recognition and measurement of provisions and contingencies

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

26 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the year ended 31 March 2021

(A) Holding Company

Aditya Birla Renewables Limited [ABReL] (74%)

(B) Ultimate Holding Company

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

(C) Associate Company

Hindalco Industries Limited (26%)

(D) Fellow subsidiary of Holding Company

Aditya Birla Solar Limited

(E) Other related party in which directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Limited

(F) Key Managerial personnel

Mr. Pavan K. Jain, Managing Director

Mr. Pawan Kumar Jain, Director

Mr. Ravinder Khanna, Director (cessation w.e.f. 14 March 2021)

Mr. Bhupendranath Bhargava, Independent Director

Mr. V. Chandrasekaran, Independent Director (upto 5 January 2021)

Mr. Subhash Chandra Bhargava, Independent Director (w.e.f. 1 February 2021)

Mr. Mahendra Bhandari, Chief Financial Officer

Details of transactions with related parties:

(in Rs)

Sr. No.	Particulars	For the year ended	For the year ended
		31 March 2021	31 March 2020
1	Allotment of equity shares including securities premium Aditya Birla Renewables Limited Hindalco Industries Limited	-	3,28,71,540 1,15,49,460 4,44,21,000
2	Revenue from operations Hindalco Industries Limited	15,47,36,707	13,82,69,901
3	Project management fees capitalised in property, plant and equipment Grasim Industries Limited	-	60,29,099
4	Supervision and monitoring of operation and maintenance services charged to statement of profit and loss Grasim Industries Limited	6,67,448	4,91,611
5	Deputation charges Aditya Birla Renewables Limited	16,73,720	-
6	Purchase of capital equipment Aditya Birla Solar Limited	-	83,780
7	Director sitting fees (excluding GST) Mr. V. Chandrasekaran Mr. Bhupendranath Bhargava	2,10,000 3,00,000	3,20,000 2,50,000
8	Reimbursement of insurance charges Grasim Industries Limited	29,419	-
9	Managerial remuneration Pavan K. Jain Mahendra Bhandari	1 1	1 1
10	Reimbursement of rental expenses Aditya Birla Management Corporation Limited	18,87,524	-

Details of closing balances:

(in Rs)

Sr. No.	Particulars	As at	As at
		31 March 2021	31 March 2020
1	Share capital including securities premium Aditya Birla Renewables Limited Hindalco Industries Limited	19,64,11,540 6,90,09,460 26,54,21,000	19,64,11,540 6,90,09,460 26,54,21,000
2	Unbilled revenue Hindalco Industries Limited	1,54,96,357	1,49,38,222
3	Project management fees payable Grasim Industries Limited (net of TDS)	-	55,18,158
4	Supervision and monitoring of operation and maintenance services payable Grasim Industries Limited	1,75,728	1,50,066
5	Purchase of capital equipment Aditya Birla Solar Limited	83,843	83,780
6	Trade receivables Hindalco Industries Limited	-	32,29,850
7	Deputation charges payable Aditya Birla Renewables Limited	2,56,856	-
8	Managerial remuneration Pavan K. Jain Mahendra Bhandari	2 2	1 1
9	Reimbursement of rental expenses payable Aditya Birla Management Corporation Limited	4,71,430	-

Note: Related party relationships as per Ind AS 24 have been identified by the management and relied upon by the auditors. All the transactions are carried out at arm's 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 year ended 31 March 2021 and 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.

27 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.

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

(In Rs)

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount due to micro enterprises and small enterprises	17,65,485	-
Interest due on above	-	-
Amount of interest paid during the year	-	-
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 year	-	-
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.

29 Classification of financial assets and financial liabilities

(in Rs)

Particulars	As at 31 March 2021 Carrying value	As at 31 March 2021 Fair value	As at 31 March 2020 Carrying value	As at 31 March 2020 Fair value
Financial assets				
Measured at amortized cost (carrying value approximates the amortized cost) :				
Trade receivables (note 7)	3,42,290	3,42,290	32,29,850	32,29,850
Investments (note 6)	1,51,74,305	1,51,74,305	-	-
Cash and cash equivalents (note 8)	1,43,43,938	1,43,43,938	3,42,09,783	3,42,09,783
Bank balances other than cash and cash equivalents (note 9)	2,66,56,884	2,66,56,884	1,76,02,500	1,76,02,500
Other financial assets (note 4 and 10)	6,26,86,294	6,26,86,294	1,52,17,457	1,52,17,457
Total	11,92,03,711	11,92,03,711	7,02,59,590	7,02,59,590
Financial liabilities				
Measured at amortized cost (carrying value approximates the amortized cost) :				
Borrowings (note 14)	88,22,42,827	88,22,42,827	97,66,10,376	97,66,10,376
Trade payables (note 16)	20,82,491	20,82,491	11,65,509	11,65,509
Other financial liabilities (note 17)	9,03,55,463	9,03,55,463	1,87,66,051	1,87,66,051
Total	97,46,80,781	97,46,80,781	99,65,41,936	99,65,41,936

The Company has assessed that investments, cash and cash equivalents, bank balance, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term Borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

30 Financial risk management objectives and policies

(A) Market risk

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

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

The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

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, investments in debt scheme of mutual funds	Sensitivity analysis, interest rate movements	Interest rate swaps and loan takeover for long term borrowings diversification
Credit risk	Trade receivables and other financial assets	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other financial liabilities	Rolling cashflow Forecasts	Borrowing facilities diversification

(B) Foreign Currency Risk

There is no hedged or unhedged foreign currency exposure in the company during the year.

(C) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in 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 96,77,015 (31 March 2020: Rs 98,18,487). If the rate is decreased by 1%, the profit before tax will increase and pretax equity will increase by an equal amount.

(D) 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 principal customer Hindalco Industries 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 on the basis of its historical credit loss experience 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 2021 is Rs 3,42,290 (31 March 2020 : Rs 32,29,850).

b. Cash and cash equivalents and bank deposits

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

(E) 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.

(in Rs)

As at 31 March 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	12,16,36,946	10,59,77,787	74,00,86,766	96,77,01,500
Trade payables	20,82,491	-	-	-	20,82,491
Other financial liabilities	9,03,55,463	-	-	-	9,03,55,463
Total	9,24,37,954	12,16,36,946	10,59,77,787	74,00,86,766	1,06,01,39,454

(in Rs)

As at 31 March 2020	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	12,87,10,584	10,59,77,787	74,71,60,404	98,18,48,776
Trade payables	11,65,509	-	-	-	11,65,509
Other financial liabilities	1,87,66,051	-	-	-	1,87,66,051
Total	1,99,31,560	12,87,10,584	10,59,77,787	74,71,60,404	1,00,17,80,336

(F) 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 capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loan and borrowings, less cash and cash equivalents, excluding discontinued operations.

(in Rs)

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (note 14)	96,95,47,964	97,66,10,376
Less: Cash and cash equivalents (note 8)	(1,43,43,938)	(3,42,09,783)
Net debt	95,52,04,026	94,24,00,593
Equity (note 12 and 13)	29,06,57,289	24,40,16,720
Equity	29,06,57,289	24,40,16,720
Gearing ratio	3.29	3.86

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 networth ratio, fixed asset coverage ratio and debt service reserve account which are required to be maintained by the Company as per the terms and conditions of the loan agreement.

31 Capital commitments

(in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)	-	17,69,719
Total	-	17,69,719

- 32 There are no contingent liabilities as at 31 March 2021 : Rs. Nil (31 March 2020 : Rs. Nil).
- 33 Due to the outbreak of COVID-19 globally and in India, the Company had made an assessment of the likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on 31 March 2021. The 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.
- 34 Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.06
23:56:29 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 6 May 2021

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

Pavan Digitally signed by
Kumar Jain Pavan Kumar Jain
Date: 2021.05.06
23:37:08 +05'30'

Pavan K. Jain
Managing Director
DIN: 00703624

Mahendra Digitally signed by
Bhandari Mahendra Bhandari
Date: 2021.05.06
23:15:16 +05'30'

Mahendra Bhandari
Chief Financial Officer

Place: Mumbai
Date: 6 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.06
23:02:22 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

SHWETA Digitally signed by
SUNIL SHWETA SUNIL
MAYEKAR MAYEKAR
Date: 2021.05.05
22:59:06 +05'30'

Shweta Mayekar
Company Secretary
Membership No: ACS 23786

**ADITYA BIRLA RENEWABLES UTKAL
LIMITED
2ND ANNUAL REPORT
2020-21**

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 2nd (second) Board of Directors' Report together with Audited Financial Statements of your Company for the financial year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

(Amount in Rupees)

Particulars	For the Financial year ended March 31, 2021	For the Financial year ended March 31, 2020 i.e. from 27.05.2019 to 31.03.2020
Total Income	3,43,50,237	57,83,336
Less : Total Expenses	2,31,94,321	43,86,699
Profit before Tax	1,11,55,916	13,96,637
Tax Expenses		
Current Tax	3,691	-
MAT credit entitlement	-	-
Deferred Tax	28,11,808	3,59,902
Profit after Tax (A)	83,40,417	10,36,735
Other Comprehensive Income (B)	-	-
Total Comprehensive Income for the Period (A+B)	83,40,417	10,36,735

2. State of the Company's affairs

The existing captive solar power plant of the Company for Utkal Alumina International Limited located at Doraguda, via Tikri, Post-Office: Kucheipadar, District- Rayagada-765 015 in the state of Odisha is running satisfactorily. The Solar PV Power Plant employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 1,04,89,007 units during the year. The revenue from operations of the Company was Rs. 3,29,65,216 during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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

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and financial institutions. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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, 2021.

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, 2021 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 2020-21, 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, 2021, 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, 2021.

9. Share Capital

As on March 31, 2021, 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) Equity shares of Rs. 10 each.

ADITYA BIRLA RENEWABLES UTKAL LIMITED

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10. Board of Directors

Mr. Ravinder Khanna, Mr. Pavan K. Jain and Mr. Pawan Kumar Jain, were the First Directors of the Company since incorporation of the Company. Further, during the financial year 2020-21 the composition of the Board of Director of the Company changed as follows:

- Mr. Ravinder Khanna resigned as a Director w.e.f. December 14, 2020.
- Mr. Amitabh Verma appointed as an Additional Director w.e.f. December 12, 2020 to hold the office upto the date of the ensuing Annual General Meeting.

All the Directors of your Company have given requisite declarations 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, 2021 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 2020-21 (DD/MM/YY)			
	23/05/20	23/07/20	29/10/20	25/01/21
Mr. Ravinder Khanna (upto December 14, 2020)	✓	✓	✓	Not Applicable
Mr. Pavan K. Jain	✓	✓	✓	✓
Mr. Pawan Kumar Jain	✓	✓	✓	✓
Mr. Amitabh Verma (with effect from December 12, 2020)	N.A.	N.A.	N.A.	✓

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 –

- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- (b) 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;

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Email id: abrul@adityabirla.com

- (c) 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;
- (d) The Directors have prepared the annual accounts on a going concern basis; and
- (e) 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 2020-21, 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 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (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 2020-21, 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 2020-21, 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 (Share Capital and Debentures) Rules, 2014 are not applicable.

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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 2020-21, 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 2020-21, the provisions 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.

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 2020-21, 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, Directors qualifications, positive attributes, and other related matters as provided under section 178(3) of the Companies Act, 2013.

24. Statutory Auditors

M/s. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) are appointed as the Statutory Auditors of the Company to hold office from the

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conclusion of the 1st (first) Annual General Meeting till the conclusion of the 6th (sixth) Annual General Meeting.

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. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

27. Cost Record

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2020-21, the Company was not required to maintain cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21, 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.

29. 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 2020-21, no contracts/arrangements/transactions were entered into by the Company with Related Parties which requires disclosure in Form AOC-2 pursuant to section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014.

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

During the financial year 2020-21, 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 |

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(iii) At the end of the year

- Not Applicable

31. 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.

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.

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 |

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- | | |
|---|-------|
| (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 2020-21, 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, nor the Company has gone for any revision of Financial Statements or Board of Directors Report for any year.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

39. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

40. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company

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41. 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 2020-21.

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




(Amitabh Verma)
Director
DIN: 08990619


(Pawan Kumar Jain)
Director
DIN: 07833315

Place: Mumbai

Date: May 06, 2021

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 2021, 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 2021, 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 Ind AS 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 Auditors' 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 Ind AS 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.

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

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 Ind AS 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.

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31 March 2021;

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

- (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

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.06
22:45:36 +05'30'

per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACW4445
Place of Signature: Mumbai
Date: 06 May 2021

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

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 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 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 employees' state insurance, provident fund, 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, 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 employees' state insurance, sales-tax, duty of custom, provident fund, service tax, duty of excise and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, cess, which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, sales-tax, duty of custom, provident fund, 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.

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

- (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 provisions of Section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 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.
- (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 & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

VIJAYDigitally signed
by VIJAY MANIAR**MANIAR**Date: 2021.05.06
22:46:28 +05'30'

per Vijay Maniar

Partner

Membership Number: 36738

UDIN: 21036738AAAACW4445

Place of Signature: Mumbai

Date: 06 May 2021

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Renewables Utkal Limited ("the Company") as of 31 March 2021 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

Aditya Birla Renewables Utkal Limited
Independent Auditor's Report

(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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

VIJAY Digitally signed
by VIJAY MANIAR
MANIAR Date: 2021.05.06
22:47:18 +05'30'

per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAACW4445
Place of Signature: Mumbai
Date: 06 May 2021

(in Rs.)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non current assets			
Property, plant and equipment	3	19,31,60,107	20,00,58,507
Other financial assets	4	1,60,10,000	10,000
Non current tax assets (net)	5	2,50,632	3,81,834
Other non current assets	6	-	4 65 700
		20,94,20,739	20,09,16,041
Current assets			
Financial assets			
Trade receivables	7	36,135	23,46,248
Cash and cash equivalents	8	24,70,048	3,61,71,121
Bank balances other than cash and cash equivalents	9	70,24,834	-
Other financial assets	10	32,41,008	34,60,934
Other current assets	11	5 03 645	4 09 756
		1,32,75,670	4,23,88,059
Total assets		22 16 96 409	24 33 04 100
Equity and liabilities			
Equity			
Equity share capital	12	4,90,00,000	4,90,00,000
Other equity	13	93 77 152	10 36 735
		5,83,77,152	5,00,36,735
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	14	15,88,80,038	15,87,91,018
Deferred tax liabilities (net)	15	31 71 710	3 59 902
		16,20,51,748	15,91,50,920
Current liabilities			
Financial liabilities			
Trade payables	16	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		6,17,642	-
Other financial liabilities	17	16,07,989	3,40,59,157
Other current liabilities	18	41 878	57 288
		22,67,509	3,41,16,445
Total liabilities		16,43,19,257	19,32,67,365
Total equity and liabilities		22 16 96 409	24 33 04 100

Summary of significant accounting policies

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

VIJAY

Digitally signed

by VIJAY MANIAR

MANIAR

Date: 2021.05.06

22:48:27 +05'30'

per Vijay Maniar

Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

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

**AMITABH
VERMA**

Digitally signed by
AMITABH VERMA
Date: 2021.05.06
22:23:51 +05'30'

Amitabh Verma
Director
DIN:08990619

**Pawan
Kumar Jain**

Digitally signed by
Pawan Kumar Jain
Date: 2021.05.06
22:26:49 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

Place: Mumbai
Date: 6 May 2021

(in Rs.)

Particulars	Notes	For the year ended 31 March 2021	For the period from 27 May 2019 to 31 March 2020
Income			
Revenue from operations	19	3,29,65,216	54,09,614
Other income	20	13 85 021	3 73 722
Total income		3 43 50,237	57 83 336
Expenses			
Operation and maintenance expenses		26,99,457	-
Depreciation expenses	21	66,55,565	10,96,436
Finance costs	22	1,09,02,198	18,96,626
Other expenses	23	29 37 101	13 93 637
Total expenses		2 31 94 321	43 86 699
Profit for the year before tax		1,11,55,916	13,96,637
Tax expenses			
Current tax		3,691	-
Deferred tax	15	28 11 808	3 59 902
Total tax expenses		28 15 499	3 59 902
Profit for the year		83,40,417	10,36,735
Other comprehensive income		-	-
Total comprehensive income for the year		83 40 417	10 36 735
Earnings per equity share of Rs. 10 each			
Basic and diluted	24	1.70	0.27

Summary of significant accounting policies

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

VIJAY Digitally signed
by VIJAY MANIAR
Date: 2021.05.06
22:49:19 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 6 May 2021

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

AMITABH VERMA Digitally signed by
AMITABH VERMA
Date: 2021.05.06
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Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 6 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.06
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Pawan Kumar Jain
Director
DIN:07833315

Particulars	For the year ended 31 March 2021	For the period from 27 May 2019 to 31 March 2020
Cash flow from operating activities		
Profit before tax as per the statement of profit and loss	1,11,55,916	13,96,637
Adjustments for:		
Depreciation expenses	66,55,565	10,96,436
Finance costs	1,09,02,198	18,96,390
Interest income	(13,85,021)	(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	2,73,28,658	40,64,241
Working capital adjustments		
Decrease/(increase) in trade receivables	23,10,113	(23,46,248)
Increase in trade payables	6,17,642	-
Increase in other current assets	(1,27,910)	(3,85,734)
Increase in other financial liabilities	4,64,009	3,60,350
Decrease/(increase) in other financial assets	2,62,437	(34,55,885)
Increase/ (decrease) in other current liabilities	(15,410)	57,88
Cash generated from/(used) in operating activities	3,08,39,539	(17,05,988)
Income taxes paid	1,27,11	3,81,834
Cash generated from/used in operating activities	3,09,67,050	(20,87,822)
Cash flow from investing activities		
Purchase of tangible assets including capital work in progress	(3,21,88,474)	(16,83,69,912)
Interest received	13,32,412	15,43,290
Fixed deposits with original maturity of more than three months placed/matured	2,30,48,834	3,44,750
Cash used in investing activities	(5,18,30,896)	(16,64,11,872)
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 transaction expenses	(3,34,673)	(5,38,524)
Interest paid	(1,04,25,554)	(28,73,963)
Cash generated from/used in financing activities	(1,17,17,121)	20,47,40,815
Net increase in cash and cash equivalents	(3,37,01,073)	3,61,71,121
Cash and cash equivalents at beginning of the period	3,61,71,121	-
Cash and cash equivalents at the end of the period (note 8)	24,70,048	3,61,71,121

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

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	9,70,048	11,71,121
Fixed deposits with original maturity of less than three months	15,00,000	3,50,00,000
Total	24,70,048	3,61,71,121

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

Reconciliation of liabilities from financing activities for the year ended 31 March 2021

Particulars	As at 31 March 2020	Cashflows (net)	Non cash changes/transaction costs	As at 31 March 2021
Borrowings-non-current	15,87,91,018	-	89,020	15,88,80,038
Total	15,87,91,018	-	89,020	15,88,80,038

Reconciliation of liabilities from financing activities for the period ended 31 March 2020

Particulars	As at 27 May 2019	Cashflows (net)	Non cash changes/transaction costs	As at 31 March 2020
Borrowings-non-current	-	15,92,01,802	4,10,784	15,87,91,018
Total	-	15,92,01,802	4,10,784	15,87,91,018

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

VIJAY MANIAR
Digitally signed
by VIJAY MANIAR
Date: 2021.05.06
22:50:23 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 6 May 2021

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

AMITABH VERMA
Digitally signed by
AMITABH VERMA
Date: 2021.05.06
22:24:21 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 6 May 2021

Pawan Kumar Jain
Digitally signed by
Pawan Kumar Jain
Date: 2021.05.06
22:26:17 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

Aditya Birla Renewables Utkal Limited
CIN: U40300MH2019PLC325878
Statement of changes in equity for the year ended 31 March 2021

A) Equity share capital

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 27 May 2019	-	-
Issue of equity share capital (note 12)	49,00,000	4,90,00,000
As at 31 March 2020	49,00,000	4,90,00,000
As at 1 April 2020	49,00,000	4,90,00,000
Issue of equity share capital (note 12)	-	-
As at 31 March 2021	49,00,000	4,90,00,000

B) Other equity

Particulars	Surplus in the statement of profit & loss	Total (in Rs.)
As at 27 May 2019	-	-
Additions during the period (note 13)	10,36,735	10,36,735
As at 31 March 2020	10,36,735	10,36,735
Additions during the year (note 13)	83,40,417	83,40,417
As at 31 March 2021	93,77,152	93,77,152

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

VIJAY Digitally signed
MANIAR by VIJAY MANIAR
Date: 2021.05.06
22:51:22 +05'30'

per Vijay Maniar
Partner
Membership No.: 36738
Place: Mumbai
Date: 6 May 2021

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

AMITABH Digitally signed by
VERMA AMITABH VERMA
Date: 2021.05.06
22:24:31 +05'30'

Amitabh Verma
Director
DIN:08990619

Place: Mumbai
Date: 6 May 2021

Pawan Digitally signed by
Kumar Jain Pawan Kumar Jain
Date: 2021.05.06
22:26:00 +05'30'

Pawan Kumar Jain
Director
DIN:07833315

Aditya Birla Renewables Utkal Limited

CIN: U40300MH2019PLC325878

Notes to Financial Statements for the year ended 31 March 2021

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 6 May 2021.

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 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 Utkal Limited

CIN: U40300MH2017PLC296313

Notes to Financial Statements for the year ended 31 March 2021

3 Property, plant and equipment

(in Rs)

Sr. No.	Particulars	Location	Gross Block			Depreciation			Net Block	
			At 1 April 2020	Additions	Adjustment	At 31 March 2021	Charge for the year	Adjustment	At 31 March 2021	At 31 March 2021
1	Plant and equipment	Utkal (7 MWp DC)	19,44,29,582	-	11,19,590	19,33,09,992	64,37,236	13,804	74,89,095	18,58,20,897
2	Building	Utkal (7 MWp DC)	67,25,361	8,76,755	-	76,02,116	2,32,133	-	2,62,906	73,39,210
	Total		20,11,54,943	8,76,755	11,19,590	20,09,12,108	66,69,369	13,804	77,52,001	19,31,60,107

(in Rs)

Sr. No.	Particulars	Location	Gross Block			Depreciation			Net Block	
			At 27 Mar 2019	Additions	Disposals	At 31 March 2020	Charge for the period	Disposals	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	20,00,58,507

Property plant and equipment pledged as security

Property, plant and equipment has been pledged as security for borrowings by the Company (note 14).

Capitalised borrowing costs

During the period year 31 March 2021, the amount of borrowing costs capitalised is Rs. Nil (31 March 2020: Rs 10,71,291).

4 Other financial assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity of more than twelve months	1,60,00,000	-
Security deposits (unsecured, considered good)	10,000	10,000
Total	1,60,10,000	10,000

5 Non current tax assets (net) (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax and TDS receivable (net of provision Rs. 3,691 (31 March 2020: Rs.Nil))	2,50,632	3,81,834
Total	2,50,632	3,81,834

6 Other non current assets (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	-	4,65,700
Total	-	4,65,700

7 Trade receivables (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Receivables from related parties (note 26)	-	23,46,248
Other receivables	36,135	-
Total	36,135	23,46,248

Break up for security details (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good	36,135	23,46,248
Trade receivables which have significant increase in credit risk [note 30(D)(a)]	-	-
Trade receivables - credit impaired [note 30(D)(a)]	-	-
Total	36,135	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 26.

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

8 Cash and cash equivalents (in Rs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
On current accounts	9,70,048	11,71,121
Deposits with original maturity of less than three months	15,00,000	3,50,00,000
Total	24,70,048	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.

9 Bank balances other than cash and cash equivalents (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity period of more than three months but less than twelve months	70,24,834	-
Total	70,24,834	-

10 Other financial assets (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Accrued interest on deposits	47,560	5,049
Unbilled revenue	31,93,448	30,49,080
Other receivables (note 26)	-	4,06,805
Total	32,41,008	34,60,934

11 Other current assets (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Balances with government authorities	117	-
Other advances	1,48,057	-
Prepayments	3,55,470	4,09,756
Total	5,03,645	4,09,756

12 Equity share capital (in Rs.)		
Particulars	As at 31 March 2021	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
	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
	4,90,00,000	4,90,00,000

(a) Reconciliation of issued equity share capital (in nos.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	49,00,000	-
Issue of shares during the period	-	49,00,000
Number of shares outstanding at the end of the period	49,00,000	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.

- (b) 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.

(c) Shares held by Holding Company:

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount (in Rs.)	Number of shares	Amount (in Rs.)
Aditya Birla Renewables Limited	36,26,000	3,62,60,000	36,26,000	3,62,60,000

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

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Aditya Birla Renewables Limited	36,26,000	74%	36,26,000	74%
Utkal Alumina Industries Limited	12,74,000	26%	12,74,000	26%
Total	49,00,000	100%	49,00,000	100%

13 Other equity (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	10,36,735	-
Profit for the period	83,40,417	10,36,735
Closing balance	93,77,152	10,36,735

14 Borrowings (In Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Letter of credit discounted	15,88,80,038	15,87,91,018
Total	15,88,80,038	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				
Ratnakar Bank Limited	15,92,01,802	15,88,80,038	5.95% - 7.80%	The loan is repayable in such structured quarterly instalments beginning from 31 December 2019. The letter of credit on its maturity will be converted into a term loan with Ratnakar Bank Limited having the repayment terms as mentioned above. 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 Utkal, 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

The loan is repayable in such structured quarterly instalments beginning from 30 June 2021 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 facilities arrangement of the Company.

Loan covenants

Bank loan contains certain debt covenants relating to limitations on indebtedness, debt-equity ratio, debt service coverage ratio, total outstanding liability to networth 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.

15 Deferred tax liabilities (net) (in Rs.)			
Particulars	As at 31 March 2020	Charge for the period	As at 31 March 2021
Deferred tax assets			
Preliminary expenses	(1,24,135)	31,034	(93,101)
Business loss (note a)	(91,17,762)	(1,12,59,643)	(2,03,77,405)
	(92,41,897)	(1,12,28,609)	(2,04,70,506)
Deferred tax liabilities			
Accelerated depreciation for tax purposes	96,01,799	1,40,40,417	2,36,42,216
	96,01,799	1,40,40,417	2,36,42,216
Deferred tax liabilities (net)	3,59,902	28,11,808	31,71,710

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 year ended 31 March 2021	For the period from 27 May 2019 to 31 March 2020
Profit before tax as per the statement of profit and loss	1,11,55,916	13,96,637
Statutory tax rate applicable	25.17%	25.17%
Computed tax expense	28,07,944	3,51,534
Income tax effect of:		
Disallowed expenses	-	481
Gain on sale of fixed assets	-	7,888
Others	(3,691)	-
Total	(3,691)	8,369
Tax expense recognized in the statement of profit and loss	28,04,253	3,59,902
Effective tax rate	25.14%	25.77%

16 Trade payables (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2021
Total outstanding dues of micro and small enterprises (note 27)	-	-
Total outstanding dues of creditors other than micro and small enterprises (including related party dues [note 26])	6,17,642	-
Total	6,17,642	-

17 Other financial liabilities (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2021
Liability towards capital expenditure including retention money	7,83,630	3,36,98,807
Provision for expenses	6,88,541	3,58,350
Other payables	1,35,818	2,000
Total	16,07,989	3,40,59,157

18 Other current liabilities (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2021
Statutory liabilities		
Tax deducted at source	38,006	57,288
Goods and service tax payable	3,872	-
Total	41,878	57,288

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
19 Revenue from operations		
Solar power generation		
7 MWp DC at Utkal (Odisha)	3,29,32,953	53,95,328
Other operating income		
Sale of VCS Credits	32,263	-
Scrap sale	-	14,286
Total	3,29,65,216	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 2021	As at 31 March 2020
Contract assets	-	-
Contract liabilities	-	-
Receivables		
Trade Receivable (note 26)	-	23,46,248
Unbilled Revenue (note 26)	31,93,448	30,49,080
Total	31,93,448	53,95,328

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

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.

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
20 Other income		
Interest income	13,85,021	3,42,381
Profit on sale of fixed assets	-	31,341
Total	13,85,021	3,73,722

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
21 Depreciation expenses		
Depreciation on property, plant and equipment	66,55,565	10,96,436
Total	66,55,565	10,96,436

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
22 Finance costs		
Interest on borrowings	1,09,02,198	18,96,390
Bank charges	-	236
Total	1,09,02,198	18,96,626

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
23 Other expenses		
Legal and professional fees	79,868	1,38,640
Deputation charges	10,10,856	-
Incorporation expenses	-	6,16,531
Stamp duty on issue of shares	-	48,500
Rates and taxes	5,640	11,760
Payment to auditors (refer details below)	4,72,000	4,88,225
Insurance expenses	4,24,431	63,818
Repairs and maintenance	3,65,101	-
Office rent	4,84,431	-
Miscellaneous expenses	94,774	26,163
Total	29,37,101	13,93,637

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the period ended 31 March 2020
Payment to auditors		
As auditor		
Audit fees	4,72,000	4,72,000
Reimbursement of expenses	-	16,225
Total	4,72,000	4,88,225

24 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 year ended 31 March 2021	For the period from 27 May 2018 to 31 March 2019
Profit/(loss) attributable to equity holders (in Rs.)	83,40,417	10,36,735
Weighted Average number of Equity Shares (in lakhs)	49,00,000	37,71,544
Basic and Diluted earnings per share (in Rs.)	1.70	0.27

25 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 30)
- Capital management (note 30)

a) 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.

b) 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.

i) 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.

ii) 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.

iii) Recognition and measurement of provisions and contingencies

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

26 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the year ended 31 March 2021

(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) Other related party in which directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Limited

(E) Key Managerial personnel

Mr. Ravinder Khanna, Director (upto 14 December 2020)

Mr. Pawan Kumar Jain, Director

Mr. Pavan Kumar Jain, Director

Mr. Amitabh Verma, Director (w.e.f. 12 December 2020)

Details of transactions with related parties:

		(in Rs.)	
Sr. No.	Particulars	For the year ended 31 March 2021	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	3,29,32,953	53,95,328
3	Project management fees		
	Grasim Industries Limited	-	95,29,843
4	Reimbursement of insurance charges		
	Grasim Industries Limited	6,021	-
5	Deputation charges		
	Aditya Birla Renewables Limited	10,10,856	-
6	Supervision and monitoring of operation and maintenance services charged to statement of profit and loss		
	Grasim Industries Limited	1,28,544	-
7	Reimbursement of statutory dues		
	Aditya Birla Renewables SPVI Limited	57,290	-
8	Reimbursement of rental expenses		
	Aditya Birla Management Corporation Limited	4,84,431	-
9	Sale of asset		
	Aditya Birla Renewables Limited	-	4,06,805

Details of closing balance:

		(in Rs.)	
S.No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	Share capital		
	Aditya Birla Renewables Limited	3,62,60,000	3,62,60,000
	Utkal Alumina International Limited	1,27,40,000	1,27,40,000
		4,90,00,000	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	31,93,448	30,49,080
4	Supervision and monitoring of operation and maintenance services payable		
	Grasim Industries Limited (net of TDS)	53,500	-
5	Reimbursement of rental expenses		
	Aditya Birla Management Corporation Limited	1,40,207	-
6	Project management fees payable		
	Grasim Industries Limited	-	87,22,129

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 year ended 31 March 2021. 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.

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

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Principal amount due to micro enterprises and small enterprises	1 22 839	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 remains 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.

28 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.

29 Classification of financial assets and financial liabilities

Particulars	Carrying value		Fair value	
	As at 31 March 2021	As at 31 March 2021	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 7)	36,135	36,135	23,46,248	23,46,248
Cash and cash equivalents (note 8)	24,70,048	24,70,048	3,61,71,121	3,61,71,121
Bank balances other than cash and cash equivalents (note 9)	70,24,834	70,24,834	-	-
Other financial assets note (4 and 10)	1,92,51,008	1,92,51,008	34,70,934	34,60,934
Financial liabilities				
Measured at amortized cost (carrying values approximates the amortized cost):				
Borrowings (note 14)	15,88,80,038	15,88,80,038	15,87,91,018	15,87,91,018
Trade payables (note 16)	6,17,642	6,17,642	-	-
Other financial liabilities (note 17)	16 07 989	16 07 989	3 40 59 157	3 40 59 157

The Company has assessed that Trade Receivables, cash and cash equivalents, bank balance, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

30 Financial risk management objectives and policies

(A) Market Risk

The Company's principal financial liabilities, other than derivatives, 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, 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, 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 major market 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
Credit risk	Trade receivables	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other liabilities	Rolling cashflow forecasts	Borrowing facilities diversification

(B) Foreign Currency Risk

There is no hedged or unhedged foreign currency exposure in the company during the year.

(C) Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in 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 (31 March 2020: 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.

(D) 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 and foreign exchange transactions.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade receivables

Trade receivables consist of principally one customer Utikal 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 2021 is Rs. 36,135 (31 March 2020 : Rs 23,46,248)

b. Cash and cash equivalents, bank deposits and derivative instruments

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

(E) 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 2021	3 to 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	85,96,897	1,05,07,319	14,00,97,585	15,92,01,802
Trade payables	6,17,642	-	-	-	6,17,642
Other financial liabilities	16,700	-	-	-	16,700
Total	22,87,642	85,96,897	1,05,07,319	14,00,97,585	16,18,27,833

As at 31 March 2020	3 to 12 months	1 to 3 years	3 to 5 years	Above 5 years	Total
Borrowings	-	85,96,897	1,05,07,319	14,00,97,585	15,92,01,802
Other financial liabilities	3,400	-	-	-	3,400
Total	3,400	85,96,897	1,05,07,319	14,00,97,585	16,18,27,833

(F) 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 equivalent divided by total equity.

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (note 14)	15,88,80,038	15,87,91,018
Less: Cash and cash equivalents (note 8)	(24,700)	(61,71,121)
Net debt	15,64,09,990	12,26,19,897
Equity (note 12 and 13)	5,83,77,152	5,91,735
Debt-equity ratio	2.68	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 networth ratio and fixed assets coverage ratio which are maintained by the Company.

31 Capital commitments		(in Rs.)	
Particulars	As at 31 March 2021	As at 31 March 2020	
Estimated amount to be paid for contracts executed on capital account and not provided for (Net of Advances)	-	-	
Total	-	-	

32 There are no contingent liabilities as at 31 March 2021 (31 March 2020 : Rs. Nil).

33 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on March 31, 2021. The 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

34 Prior period comparatives

Previous period's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

**VIJAY
MANIAR**

Digitally signed by

VIJAY MANIAR

Date: 2021.05.06

22:52:56 +05'30'

per Vijay Maniar
Partner

Membership No.: 36738

Place: Mumbai

Date: 6 May 2021

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

**AMITABH
VERMA**

Amitabh Verma

Director

DIN:08990619

**Pawan
Kumar Jain**

Pawan Kumar Jain

Director

DIN:07833315

Place: Mumbai

Date: 6 May 2021

**ADITYA BIRLA SOLAR
LIMITED**

5TH ANNUAL REPORT

2020-21

ADITYA BIRLA SOLAR LIMITED

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

Corporate Identity Number: U40106MH2016PLC280762

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BOARD OF DIRECTORS' REPORT

To

The Members of the Company
Aditya Birla Solar Limited

Your Directors have pleasure in presenting the 5th (fifth) Board of Directors' Report together with Audited Financial Statements of your Company for the year ended March 31, 2021.

1. Financial Summary or highlights

Financial summary or highlights as on March 31, 2021 is as under:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total Income	47,16,47,071	48,53,80,785
Total Expenses	(38,51,33,647)	(42,95,43,509)
Profit Before Tax	8,65,13,424	5,58,37,276
Tax Expenses Current tax MAT credit entitlement Deferred Tax	81,053 - (11,76,94,126)	- 3,99,20,418 17,81,46,419
Profit/(loss) for the year after tax (A)	20,41,26,497	(16,22,29,561)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Re-measurement losses on defined benefit plans	(14,588)	0
Net movement on cash flow hedge	0	1,57,35,993
Income tax effect	3672	(45,82,321)
Other Comprehensive Income/ (Loss) for the year, net of tax (B)	(10,916)	1,11,53,672
Total Comprehensive Income/(loss) for the Year, net of tax (A+B)	20,41,15,581	(15,10,75,889)

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2. State of the Company's affairs

The Company's 3 (three) Solar Power Projects each of 22.3 MWp DC (totaling to 66.9 MWp DC) at Shirahatti, Ramadurg, and Mulbagal, in the state of Karnataka are operating satisfactorily. The Solar PV Power Plant employs Crystalline Silicon technology. The net solar power units sold, after considering auxiliary consumption, were 9,83,34,300 units during the year. The revenue from operations of the Company was Rs. 46,54,90,677 during the financial year 2020-21.

The solar power industry like other manufacturing industries has also faced certain challenges due to ongoing COVID-19 situation for smooth operation of the plants at full capacity, 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.

State DISCOMs have continued with their normal offtake. Payment delays were expected and hence the receivables were being 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. Overall, the government's approach towards this situation has been quite positive to limit the negative effects on the Solar power sector.

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, 2021.

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, 2021 and the date of the Board of Directors report, there are no other 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 2020-21, 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 as on March 31, 2021, 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, 2021.

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9. Share Capital

As on March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as under:

i. Authorized Share Capital:

Rs. 70,00,00,000 (Rupees Seventy Crore Only) divided into 7,00,00,000 (Seven Crore) Equity shares of Rs. 10 each.

ii. Issued, Paid-up and Subscribed Capital:

Rs. 66,58,53,540 (Rupees Sixty-Six Crore Fifty-Eight Lakh Fifty-Three Thousand Five Hundred Forty Only) divided into 6,65,85,354 (Six Crore Sixty-Five Lakh Eighty-Five Thousand Three Hundred Fifty-Four Only) Equity shares of Rs. 10 each.

10. Board of Directors

Mr. Devajyoti N. Bhattacharya, Mr. Ravinder Khanna and Mrs. Pinky Atul Mehta, were the Directors since the incorporation of the Company. Further, during the year, Mr. Ravinder Khanna ceased to be a Director due to his demise on March 14, 2021. Subsequently, Company appointed Mr. Amitabh Verma as an Additional Director of the Company with effect from March 20, 2021 to hold office upto the date of ensuing Annual general meeting. All the Directors of your Company have given requisite declarations pursuant to section 164 of the Companies Act, 2013 that they are not disqualified to be appointed as Directors of your Company.

11. Independent Directors

The Company is a wholly-owned subsidiary of Grasim Industries Limited and is thus exempted from the requirement of appointment of Independent Directors, vide Ministry of Corporate Affairs (MCA) notification dated 5th July, 2017 issued under Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, inter-alia amending Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

12. 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, 2021 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 2020-21 (DD/MM/YY)				
	01.06.2020	31.07.2020	04.11.2020	01.02.2021	20.03.2021
Mr. Devajyoti N. Bhattacharya	✓	✓	✓	✓	✓
Mrs. Pinky Atul Mehta	✓	✓	✓	✓	✓
Mr. Ravinder Khanna	✓	✓	✓	✓	Not Applicable
Mr. Amitabh Verma	Not Applicable	Not Applicable	Not Applicable	Not Applicable	✓

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

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13. 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 –

- (a) In the preparation of the annual accounts for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along-with proper explanation relating to material departures, if any;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) The Directors had 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;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company is a wholly-owned subsidiary of Grasim Industries Limited and is thus exempted from the requirement of constitution of the Audit and Nomination and Remuneration Committees thereof, vide Ministry of Corporate Affairs (MCA) notification dated 13th July, 2017 amending Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with amended Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

15. Corporate Social Responsibility (CSR)

During the financial year 2020-21, the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to Corporate Social Responsibility (CSR) were applicable to the Company and the Board of Directors at its meeting held on November 6, 2018 constituted a CSR Committee in accordance with the provisions of the Companies Act, 2013. Further, Mr. Ravinder Khanna ceased to be member of the CSR Committee w.e.f. March 14, 2021 upon his demise and subsequently, Mr. Amitabh Verma was inducted as a member of the CSR Committee w.e.f. March 20, 2021.

Committee Member	Designation
Mr. Devajyoti N. Bhattacharya	Chairman
Mrs. Pinky Atul Mehta	Member
Mr. Ravinder Khanna (upto March 14, 2021)	Member
Mr. Amitabh Verma (w.e.f March 20, 2021)	Member

The Company has adopted a Corporate Social Responsibility (CSR) Policy, as formulated and recommended by the Corporate Social Responsibility Committee, in accordance with the provisions of the Companies Act, 2013.

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The details of number of meetings of the CSR Committee held during the financial year ended on March 31, 2021 and attendance of the Committee members at such meetings are as under:

Name of Committee Member	Attendance at the CSR Committee Meetings held during the financial year 2020-21 (DD/MM/YY)	
	01.06.2020	01.02.2021
Mr. Devajyoti N. Bhattacharya	√	√
Mrs. Pinky Atul Mehta	√	√
Mr. Ravinder Khanna (upto March 14, 2021)	√	√
Mr. Amitabh Verma (w.e.f March 20, 2021)	Not Applicable	Not Applicable

The Annual Report/Disclosure on the Corporate Social Responsibility as per rule 9 of the Companies (Accounts) Rules, 2014 and rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith as **Annexure – A**.

16. Disclosure of issue of equity shares with differential rights

During the financial year 2020-21, 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.

17. Disclosure of issue of sweat equity shares

During the financial year 2020-21, 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.

18. 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 (Share Capital and Debentures) Rules, 2014 are not applicable.

19. 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.

20. Key Managerial Personnel

During the financial year 2020-21, following were the Key Managerial Personnel of the Company:

Mr. Devajyoti N. Bhattacharya	:	Managing Director
Ms. Ranjita Deo	:	Chief Financial Officer
Ms. Femi Jain	:	Company Secretary

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21. Establishment of vigil mechanism

Pursuant to section 177(9) of the Companies Act, 2013, the Board of Directors of the Company has established a vigil mechanism in the form of Whistle Blower Policy at its meeting held on February 06, 2017, which was reviewed by the Board at its meeting held on May 21, 2019, which provides for adequate safeguards against victimization of persons who use such mechanism. Further, there is provision to access Chairman of the Audit Committee / Nominated Director of the Company directly in exceptional cases. As the Company does not have any website, the vigil mechanism policy is not placed on the website.

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

The Managing Director of the Company has not received any commission from the Company or from the holding company during the financial year 2020-21 and as such, disclosure requirements as per section 197(14) of the Companies Act, 2013 are not applicable.

23. 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.

24. Performance evaluation of the Board, the Managing Directors and that of its Committees and the Individual Directors of the company

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, its Committee, performance of the Individual Directors and Managing Director. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors.

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

The Company is a wholly-owned subsidiary of Grasim Industries Limited and thus is exempted from the requirement of constitution of the Nomination and Remuneration Committees thereof, vide Ministry of Corporate Affairs (MCA) notification dated 13th July, 2017 amending Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with amended Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

However, the Company has followed due procedure relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes and other related matters as provided under section 178(3) of the Companies Act, 2013.

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26. Auditors

Statutory Auditors:

M/s. S R B C & CO LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No: 324982E/E300003) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 1st (first) Annual General Meeting till the conclusion of the 6th (sixth) Annual General Meeting.

Secretarial Auditors:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as Secretarial Auditor on June 1, 2020 in accordance with Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21.

27. Auditors' Report

Statutory Audit 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.

Secretarial Audit Report:

M/s. Dilip Bharadiya & Associates, Practicing Company Secretary, Mumbai (COP No. 6740 and Membership No. FCS 7956), were appointed as Secretarial Auditor to conduct a Secretarial Audit of records and documents of the Company for financial year 2020-21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines. The Secretarial Audit Report is provided in Form MR-3 (**Annexure – B**). The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

28. Reporting of Fraud by Auditors

There have been no instances of frauds reported by the auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

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

During the financial year 2020-21, the Company has not given any loans 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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30. 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 August 02, 2016 and is available at the registered office of the Company. During the financial year 2020-21, there were no contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and as such, the particulars as mentioned in section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are not applicable.

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

During the financial year 2020-21, 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

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

As on March 31, 2021, there are no deposits/any other money, which are not in compliance with requirements of Chapter V of the Companies Act, 2013.

33. 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.

34. 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 10, 2016, which was reviewed by the Board at its meeting held on May 21, 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.

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35. 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 – | |

The foreign exchange earned in terms of actual inflows during the reporting period and the foreign exchange outgo during the reporting period in terms of actual outflows – Nil.

36. 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.

37. 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 2020-21, there are 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.

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

There is no revision of Financial Statements or Board of Directors' Report during the preceding financial year(s).

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39. Cost Records

Pursuant to provision of rule 3 of the Companies (Cost Records and Audit) Rules, 2014, during the financial year 2019-20 the company had maintained cost records as specified by the Central Government under section 148 of the Companies Act, 2013.

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

During the financial year 2020-21 no cases or complaints were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

41. Update on the Merger of the Company with and into Aditya Birla Renewables Limited

The Board of Directors of the Company had approved the draft Scheme of the proposed merger with and into Aditya Birla Renewables Limited (ABReL) and had authorized officials of the Company to do such acts, deeds and things for and on behalf of the Company in relation to the proposed Scheme in its meeting held on November 26, 2019.

Later, the Company had filed the Application and Scheme of Arrangement with the National Company Law Tribunal, Mumbai ("NCLT") on March 27, 2020 for the amalgamation of the Company with and into Aditya Birla Renewables Limited under Sections 230 and 232 of the Companies Act, 2013 and the rules framed thereunder. This Application had been filed online on the NCLT portal owing to the nationwide lockdown in India. Further, the matter was heard on February 17, 2021 wherein the application was allowed and the requirement of convening meetings of shareholders and unsecured creditors of both ABSL and ABReL has been dispensed with. Pursuant to this hearing, the Company had received the interim order, and as on March 31, 2021, the Company was awaiting a detailed order with directions in order to comply with the said Act and rules thereunder.

Further, the detailed order was received on April 9, 2021 and the Company had complied with the directions as set out in the order by April 15, 2021. The Company shall shortly file a compliance affidavit with respect to the aforesaid directions and a petition seeking sanction on the merger and the dissolution of Aditya Birla Solar Limited.

42. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year

During the financial year 2020-21, there was no application made and there was no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

43. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

During the financial year 2020-21, this clause was not applicable to the Company.

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44. 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 2020-21.

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited




Devajyoti N. Bhattacharya
(Managing Director)
DIN: 00868751


Amitabh Verma
(Director)
DIN: 08990619

Place: Mumbai
Date: May 18, 2021

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Annexure – A

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. A brief outline of the company's CSR policy

The Corporate Social Responsibility (CSR) Policy of the Company is based on the vision to actively contribute to the social and economic development of the communities in which the Company operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

In order to effectively utilize the funds for CSR activity, at present the Company has identified the contribution to the A World of Opportunity Foundation" (AWOO Foundation) as CSR activity. Other than this, the Company has not identified any other projects or programs to be undertaken by the Company as CSR activity. Further, as the Company does not have any website, the contents of the CSR policy and the details of projects or programs are not placed on the website.

2. The Composition of the CSR Committee

The Board of Directors of the Company at their meeting held on November 6, 2018 constituted the Corporate Social Responsibility (CSR) Committee. Further, Mr. Ravinder Khanna ceased to be member of the CSR Committee w.e.f. March 14, 2021 upon his sad demise and subsequently, Mr. Amitabh Verma was inducted as a member of the CSR Committee w.e.f. March 20, 2021:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Devajyoti N. Bhattacharya	Chairman and Managing Director of the Company	2	2
2.	Mr. Ravinder Khanna (upto March 14, 2021)	Member and Director of the Company	2	2
3.	Mrs. Pinky Atul Mehta	Member and Director of the Company	2	2
4.	Mr. Amitabh Verma (w.e.f. March 20, 2021)	Member and Director of the Company	2	Not applicable

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Not applicable to the Company, as the Company does not have a website.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable to the Company, as the Company does not have an average CSR obligation exceeding ten crore rupees or more in the three immediately preceding financial years.

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5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Nil, as the Company has not claimed any set off for its CSR contribution spent during the financial year.

6. **Average net profit of the company as per section 135(5):**

The net profits of the Company for last three financial years calculated in accordance with the provisions of section 198 of the Companies Act, 2013 are as under:

Financial Years	Net Profit as per Section 135 of the Companies Act, 2013 (Rs.)
2017-18	8,86,85,976.00
2018-19	10,13,43,772.00
2019-20	12,94,53,941.00
Average Net Profits	10,64,94,563.00
2% of Average Net Profits	21,29,891.00

7. **Prescribed CSR Expenditure as per section 135(5):**

- (a) **Two percent of average net profit of the company as per section 135(5):**
 Rs. 21,29,891 (Rupees Twenty-One Lakh Twenty-Nine Thousand Eight Hundred Ninety-One Only)
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**
 Nil.
- (c) **Amount required to be set off for the financial year, if any:**
 Nil.
- (d) **Total CSR obligation for the financial year (7a+7b-7c):**
 Rs. 21,29,891 (Rupees Twenty-One Lakh Twenty-Nine Thousand Eight Hundred Ninety-One Only).

8. **Details of CSR amount unspent/spent during the financial year:**

(a) **CSR amount spent or unspent for the financial year**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 21,30,000 (Rupees Twenty-One Lakh Thirty Thousand Only)	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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(b) Details of CSR amount spent against ongoing projects for the financial year:

Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	A World of Opportunity Foundation (AWOO Foundation) – which provides educational scholarships	Item no.(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	No, as AWOOF Foundation is aimed at providing timely educational scholarships to deserving and capable youths all over India.	Cannot be determined as AWOOF Foundation is aimed at providing timely educational scholarships to deserving and capable youths all over India.		Rs. 21,30,000 (Rupees Twenty-One Lakh Thirty Thousand Only)	No	A World of Opportunity Foundation (AWOO Foundation)	CSR00000477
	Total	Rs. 21,30,000 (Rupees Twenty-One Lakh Thirty Thousand Only)							

(d) Amount spent in Administrative Overheads:

Rs. 50, 000 (Rupees Fifty Thousand Only) spent by A World of Opportunity Foundation (AWOO Foundation).

(e) Amount spent on Impact Assessment, if applicable:

Not applicable to the Company, as the Company does not have an average CSR obligation exceeding ten crore rupees or more in the three immediately preceding financial years.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

Rs. 21,30,000 (Rupees Twenty-One Lakh Thirty Thousand Only).

(g) Excess amount for set off, if any:

Nil

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9. *Details of Unspent CSR amount for the preceding three financial years:*

(a) *Details of Unspent CSR amount for the preceding three financial years:*

Nil.

(b) *Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):*

Nil.

10. *In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year*

Not applicable to the Company.


11. *Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)*

Not applicable to the Company

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited




Devajyoti N. Bhattacharya
(Managing Director and Chairman of CSR Committee)
DIN: 00868751


Amitabh Verma
(Director)
DIN: 08990619

Place: Mumbai
Date: May 18, 2021

Dilip Bharadiya
B.Com., A.C.A., F.C.S.
Proprietor

DILIP BHARADIYA & ASSOCIATES
COMPANY SECRETARIES

Phone : 91 - 22 - 2888 3756
Mobile : 91 - 98202 90360
Email : dilipbcs@gmail.com
: dilip@csdilip.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2021

*(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
ADITYA BIRLA SOLAR LIMITED
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Birla Solar Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

On account of ongoing and evolving pandemic of COVID-19 and consequent lockdown as directed by the Central and State Government(s), the process of audit has been modified. Some of the documents /records /returns / registers /minutes were not verified physically, however, the documents were made available in electronic mode and were verified based on the representations received from the Company for its accuracy and authenticity. Our report also covers the due adherence of the miscellaneous circulars/ notifications/guidelines as issued by the regulatory bodies from time to time. Further we have verified books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period, covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure I, for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

Contd . . 2



:: 2 ::

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; to the extent applicable,
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations") were not applicable to the Company during the period under review.

We have relied on the representations made by the Company and its Officers and report of the Internal Auditors for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The List of other Laws / Rules/ Regulations applicable to the Company is given in Annexure II.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The Company is a wholly-owned subsidiary of Grasim Industries Limited ("GIL") and as per Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2017 amended and notified on 5th July, 2017, pursuant to which the Company was not required to appoint any Independent Director on its Board. Further, Rule 6 of Companies (Meetings of Board and its Powers) Rules, was amended and notified on 13th July, 2017 and subsequently the Company was not required to constitute an Audit Committee or Nomination and Remuneration Committee of the Board of Directors of the Company.

The constitution of Board of Directors of the Company is duly complied with.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for convening the Board Meetings, committee meeting at a shorter notice with due consent from the Directors. A system also exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Contd . 3



:: 3 ::

All resolutions of the Board of Directors are approved by the requisite majority and are duly recorded in the respective minutes.

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

We further report that on 17th February 2021 the Hon'ble National Company Law Tribunal (NCLT) allowed the Application of Amalgamation between the Company into Aditya Birla Renewables Limited (ABReL) and the requirement of convening meetings of shareholders and unsecured creditors of both the Company and ABReL was dispensed with. However, the detailed order was received on 9th April 2021 and the Company had complied with the directions as set out in the order by 15th April 2021. The Company is in the process of filing a petition seeking sanction on the Scheme of Amalgamation.

We further report that, during the year under review, there were no instances pertaining to:

- i. Public/Right/Preferential issue of shares / debentures/sweat Equity, etc.
- ii. Redemption / buy-back of securities
- iii. Foreign technical collaborations

NOTE: This report is to be read with our letter of even date which is annexed as Annexure III and forms an integral part of this report.

For DILIP BHARADIYA & ASSOCIATES

DILIP BHARADIYA
Proprietor

FCS No.: 7956, C P No.: 6740

UDIN : F007956C000340266



Place : Mumbai

Date : May 18, 2021

ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial period ended 31st March, 2020
3. Minutes of the meetings of the Board of Directors, Corporate Social Responsibility Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - Register of Directors & KMP
 - Register of Directors' Shareholding
 - Register of Contracts or arrangements in which directors are interested
 - Register of loans, guarantees and security and acquisition made by the Company
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.



ANNEXURE - II

List of applicable Laws/ Rules/ Regulations of the company:

1. Electricity Act, 2003
2. Indian Electricity Rules 1956
3. Factories Act, 1948
4. The Rules, Regulations and applicable Orders under Central and State Electricity Regulatory Commission / Authority.



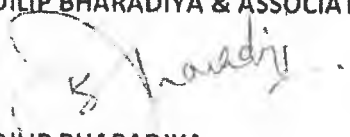
ANNEXURE - III

To,
The Members,
ADITYA BIRLA SOLAR LIMITED
MUMBAI

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

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

For **DILIP BHARADIYA & ASSOCIATES**


DILIP BHARADIYA
Proprietor
FCS No.: 7956, C P No.: 6740



Place : Mumbai
Date : May 18, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Solar Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Solar Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 2021, 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 Ind AS 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 Auditors' 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 Ind AS 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.



Aditya Birla Solar Limited
Independent Auditor's Report

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 Ind AS 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.



Aditya Birla Solar Limited
Independent Auditor's Report

- 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 Ind AS 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 accounts 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended 31 March 2021 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;



Aditya Birla Solar Limited
Independent Auditor's Report

- (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 Vinay Marhar
Partner

Membership Number: 36738
UDIN: 21036738AAAADL3421
Place of Signature: Mumbai
Date: 18 May 2021

Aditya Birla Solar Limited
Independent Auditor's Report

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, the title deeds of immovable properties, included in property, plant and equipment as disclosed in Note 3 to the Ind AS financial statements, are held in the name of the company, except for 1 parcel of freehold land at Shirahatti. As explained to us, registration of title deeds is in progress in respect of the above parcel of land aggregating to Rs. 22,65,013.
- (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) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to generation of power through renewable sources, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, service tax, duty of custom, 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, goods and service tax, cess, provident fund, 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 employees' state insurance, sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.



Aditya Birla Solar Limited
Independent Auditor's Report


- (c) According to the information and explanations given to us, there are no dues of income tax, and goods and service tax, cess, provident fund, which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, sales-tax, service tax, duty of custom, 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 banks. The Company has not issued any debentures or does not have any borrowings from the Government or financial institutions.
- (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.
- (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.



Aditya Birla Solar Limited
Independent Auditor's Report

- (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 & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per/Vijay Meniar
Partner
Membership Number: 36738
UDIN: 21036738AAAADL3421
Place of Signature: Mumbai
Date: 18 May 2021

Aditya Birla Solar Limited
Independent Auditor's Report

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 with reference to financial statements of Aditya Birla Solar Limited ("the Company") as of 31 March 2021 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 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, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)



Aditya Birla Solar Limited
Independent Auditor's Report

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 with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 issued by the ICAI.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Vijay Maniar
Partner

Membership Number: 36738
UDIN: 21036738AAAADL3421
Place of Signature: Mumbai
Date: 18 May 2021

(in Rs.)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non current assets			
Property, plant and equipment	3A	2,84,74,07,500	2,92,94,82,249
Capital work in progress	3B	-	56,63,174
Right of use assets	3C	90,45,072	93,92,960
Non current tax assets (net)	4	75,21,477	92,88,843
Other non current assets	5	2,78,03,096	3,76,00,006
		2,89,17,77,145	2,99,14,27,232
Current assets			
Financial assets			
Trade receivables	6	19,77,28,824	11,75,16,902
Cash and cash equivalents	7	74,68,345	8,74,24,676
Bank balances other than cash and cash equivalents	8	15,59,66,748	15,12,10,000
Other financial assets	9	4,82,08,000	7,52,22,492
Other current assets	10	46,06,106	59,62,817
		41,39,78,023	43,73,36,887
Total assets		3,30,57,55,168	3,42,87,64,119
Equity and liabilities			
Equity			
Equity share capital	11	66,58,53,540	66,58,53,540
Other equity	12	18,31,88,870	(2,09,26,711)
Total equity		84,90,42,410	64,49,26,829
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	13	2,06,74,81,521	2,32,77,46,814
Deferred tax liabilities (net)	14	10,22,41,581	21,99,39,379
Provisions	15	10,87,928	-
		2,17,08,11,030	2,54,76,86,193
Current liabilities			
Financial liabilities			
Borrowings	13	11,90,00,000	13,00,00,000
Trade payables	16		
Total outstanding dues of micro and small enterprises		42,59,265	1,82,520
Total outstanding dues of creditors other than micro and small		23,43,067	35,85,850
Other financial liabilities	17	15,93,02,069	9,75,72,212
Other current liabilities	18	9,15,630	48,10,515
Provisions	19	81,697	-
		28,59,01,728	23,61,51,097
Total liabilities		2,45,67,12,758	2,78,38,37,290
Total equity and liabilities		3,30,57,55,168	3,42,87,64,119

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 Vinita Mander
Partner
Membership No.: 36738

Place: Mumbai
Date: 18 May 2021

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited

Dr. Anil K. Bhattacharya
Managing Director
DIN: 0077711

Amitabh Verma
Director
DIN: 08990619

Ranjita Deo
Chief Financial Officer

Ami Jain
Company Secretary
Membership No.: ACS 55411

Place: Mumbai
Date: 18 May 2021

(in Rs.)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	20	46,54,90,677	47,73,09,528
Other income	21	61,56,394	80,71,257
Total income		47,16,47,071	48,53,80,785
Expenses			
Operation and maintenance expenses	22	2,67,25,321	2,57,42,383
Employee benefit expenses	23	1,00,36,532	-
Depreciation expenses	3A & 3C	9,56,73,362	9,58,34,740
Finance costs	24	22,88,71,096	20,77,03,126
Other expenses	25	2,38,27,336	10,02,63,260
Total expenses		38,51,33,647	42,95,43,509
Profit for the year before tax		8,65,13,424	5,58,37,276
Tax expenses			
Current tax		81,053	-
Deferred tax	14	(11,76,94,126)	17,81,46,419
MAT credit entitlement		-	3,99,20,418
Total tax expenses		(11,76,13,073)	21,80,66,837
Profit/(loss) for the year		20,41,26,497	(16,22,29,561)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement losses on defined benefit plans		(14,588)	-
Net movement on cash flow hedge		-	1,57,35,993
Income tax effect		3,672	(45,82,321)
Other comprehensive income for the year		(10,916)	1,11,53,672
Total comprehensive income for the year		20,41,15,581	(15,10,75,889)
Earnings per equity share of Rs. 10 each			
Basic and diluted	26	3.07	(2.44)

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 *Femina Jain*

Partner

Membership No.: 36738

Place: Mumbai

Date: 18 May 2021

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited

Amitabh Verma
Amitabh Verma

Director

DIN: 0851

Amitabh Verma
Amitabh Verma

Director

DIN:08990619

Manjita Deo
Manjita Deo
Chief Financial Officer

Femina Jain
Femina Jain
Company Secretary
Membership No.: ACS 55411

Place: Mumbai

Date: 18 May 2021

	in Rs.	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit for the year before tax as per the statement of profit and loss	8,65,13,424	5,58,37,276
Adjustments for:		
Finance costs	22,88,61,662	20,76,78,372
Depreciation expenses	9,56,73,362	9,58,34,740
Capital work in progress written off and provision for capital advances	-	7,36,16,665
Profit on sale of fixed assets	-	(56,427)
Interest income	60,77,665	75,69,700
Operating profit before working capital changes	40,49,70,783	42,53,40,926
Working capital adjustments		
(Increase)/decrease in trade receivables	(8,02,11,922)	3,98,80,686
(Increase)/ decrease in other financial assets, current and non current assets	(47,24,148)	1,25,72,092
Increase/ (decrease) in trade payables	28,33,962	(14,53,114)
Increase/(decrease) in other financial liabilities and other current liabilities	(27,29,534)	1,18,89,557
Cash generated from operations	32,01,39,141	48,82,30,146
Income taxes paid /refund	16,86,312	15,12,362
Cash generated from operating activities	32,18,25,453	48,67,17,784
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress	2,98,38,804	(1,74,60,989)
Proceeds from property, plant and equipment including capital work in progress	-	6,20,700
Fixed deposits with original maturity of more than three months placed	(47,56,748)	(7,43,30,000)
Interest received	62,71,055	85,60,397
Cash generated from/ used in investing activities	3,13,53,111	(8,16,09,892)
Cash flow from financing activities		
Proceeds from long term borrowings	32,77,68,964	1,88,47,37,758
Repayment of long term borrowings	(51,34,43,815)	(2,09,17,22,026)
Proceeds from inter corporate loan	4,60,00,000	13,00,00,000
Payment of inter corporate loan taken	(5,70,00,000)	-
Payment of loan transaction expenses	-	(1,40,25,275)
Finance costs	23,64,60,044	28,25,18,941
Cash used in financing activities	43,31,34,895	(37,35,28,484)
Net increase in cash and cash equivalents	(7,99,56,331)	3,05,79,408
Cash and cash equivalents at beginning of the year	8,74,24,676	5,68,45,268
Cash and cash equivalents at end of the year (note 7)	74,68,345	8,74,24,676

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

	in Rs.	
Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
On current accounts	34,41,815	5,54,24,676
Fixed deposits with original maturity of less than three months	40,26,530	3,20,00,000
Total	74,68,345	8,74,24,676

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.

Reconciliation of liabilities from financing activities for the year ended 31 March 2021

	in Rs.			
Particulars	As at 31 March 2020	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2021
Borrowings-non-current (including current maturity of long term debt)	2,40,05,46,814	(18,56,74,851)	(17,90,442)	2,21,30,81,521
Borrowings-current	13,00,00,000	1,10,00,000	-	11,90,00,000
Total	2,53,05,46,814	(19,66,74,851)	(17,90,442)	2,33,20,81,521

Reconciliation of liabilities from financing activities for the year ended 31 March 2020

	in Rs.			
Particulars	As at 31 March 2019	Cashflows (net)	Non cash changes current/non-current classifications/ transaction cost	As at 31 March 2020
Borrowings-non-current (including current maturity of long term debt)	2,72,16,51,287	(20,69,84,268)	(11,41,20,205)	2,40,05,46,814
Borrowings-current	-	13,00,00,000	-	13,00,00,000
Total	2,72,16,51,287	(7,69,84,268)	(11,41,20,205)	2,53,05,46,814

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 **MAHESHWARI & CO LLP**
Chartered Accountants
Firm Registration No.: 324982E/E300003

per **Manish Maheshwari**
Partner
Membership No.: 36738

Place: Mumbai
Date: 18 May 2021

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited

Dhruv Bhatnagar
Managing Director
DIN: 00868111

Ranjita Deo
Chief Financial Officer

Place: Mumbai
Date: 18 May 2021

Amitabh Verma
Director
DIN: 08990619

Femi Jain
Company Secretary
Membership No.: ACS 55411

A) Equity share capital

Particulars	Number of shares	Amount (in Rs.)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1 April 2019	6,65,85,354	66,58,53,540
Issue of equity share capital (note 11)	-	-
As at 31 March 2020	6,65,85,354	66,58,53,540
Issue of equity share capital (note 11)	-	-
As at 31 March 2021	6,65,85,354	66,58,53,540

B) Other equity

(in Rs.)

Particulars	Surplus in the statement of profit and loss	Securities premium	Other comprehensive income	Total
Opening balance as at 01 April 2019	13,97,89,546	15,13,304	(1,11,53,672)	13,01,49,178
Additions during the year (note 12)	16,22,29,561	-	1,11,53,672	(15,10,75,889)
Closing balance as at 31 March 2020	(2,24,40,015)	15,13,304	-	(2,09,26,711)

(in Rs.)

Particulars	Surplus in the statement of profit and loss	Securities premium	Other comprehensive income	Total
Opening balance as at 01 April 2020	(2,24,40,015)	15,13,304	-	(2,09,26,711)
Additions during the year (note 12)	20,41,26,497	-	10,916	20,41,15,581
Closing balance as at 31 March 2021	18,16,86,482	15,13,304	(10,916)	18,31,88,870

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

ICMA Firm Registration No.: 324982E/E300003

per  May Mahtani


Partner


Membership No.: 36738

Place: Mumbai


Date: 18 May 2021

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited


Devajyoti Bhattacharya
Managing Director
DIN: 00112345


Amitabh Verma
Director
DIN: 08990619


Ranjita Deo
Chief Financial Officer


Femi Jain
Company Secretary
Membership No.: ACS 55411

Place: Mumbai
Date: 18 May 2021

1. Corporate information

Aditya Birla Solar Limited ('the Company') is a public limited Company incorporated on 6 May 2016 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 Grasim Industries Limited.

The primary business of the Company is to generate and supply solar power energy to Hubli Electricity Supply Company Limited (HESCOM) and Bangalore Electricity Supply Company Limited (BESCOM).

The financial statements were authorized for issue in accordance with a resolution of the directors on 18 May 2021.

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, such as derivatives 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. 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 customers are billed on a monthly basis and are given an average credit period of 35 to 45 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.

(iii) Income from sale of Verified Carbon Standard (VCS) Scheme

Income from VCS pertains to the sale of Verified Carbon Units generated from the Company's solar power plants. Since the quantum of accruals on such units sold cannot be ascertained with reasonable certainty, this income is accounted on acceptance basis.

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.

Minimum alternate tax

The Company has decided to opt for concessional tax rates as per the Taxation Laws Amendment Act (2019) during the financial year 2019-20, and accordingly MAT provisions are no longer applicable to the Company.

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. Freehold land is carried at historical cost and is not subject to depreciation. 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 reporting period 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

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles

as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

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.

The Company has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116 - Leases, effective from annual reporting period beginning 01 April 2019. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

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.

(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. Employee Benefits

Short-Term Employee Benefits: Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plans: Contribution payable to the recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, are recognised as an expense in the Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.

The provident fund contribution as specified under the law is paid to the Regional Provident Fund Commissioner.

Defined Benefit Plans: The obligation in respect of defined benefit plans, which covers Gratuity and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each reporting period using project unit credit method.

The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the period, and any shortfall in the Fund size maintained by the Trust set-up by the Company is additionally provided for.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur.

Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to profit or loss in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee Benefits Expense'.

The present value of the Defined Benefit Plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

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

Other Long-Term Benefits: Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each reporting period. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

k. 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.

The Company has changed the method of calculation of amortization of loan transaction expenses from cash flow basis to straight-line amortization over the tenure of the loan.

(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.

1. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts and swaps to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

Cash flow hedges

The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

m. 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.

n. 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.

o. 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, as defined above.

p. 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.

q. 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 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.

3. Property, plant and equipment

A. Owned Assets

Sr. No.	Particulars	Location	Gross block			Depreciation			Net block As at 31 March 2021
			As at 1 April 2020	Additions	Adjustments	As at 31 March 2021	Charge for the year	Adjustments	As at 31 March 2021
1	Plant and equipment	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	88,12,13,594 90,85,60,876 98,20,75,136	2,33,673 6,34,250 -	-	88,14,47,267 90,91,95,126 98,20,75,136	2,93,79,566 3,03,04,505 3,27,41,175	-	11,41,18,443 11,73,80,645 11,13,29,151
2	Building	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	2,07,80,896 1,56,67,056 4,89,05,545	- - 9,88,946	-	2,07,80,896 1,56,67,056 4,98,94,491	6,94,599 5,23,505 16,82,124	-	26,40,781 19,97,485 43,22,044
3	Freehold land *	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	9,63,62,347 9,52,98,743 13,27,72,119	11,30,890 7,59,391 1,03,81,198	2,97,557 5,80,068 -	9,71,95,680 9,54,78,066 14,31,53,317	- - -	-	-
			43,09,015	-	-	43,09,015	-	-	-
	Total		3,18,59,45,327	1,41,28,348	8,77,625	3,19,91,96,049	9,53,25,474	-	35,17,89,549

* The Company is in the process of getting 1 sale deeds registered in its name amounting to Rs. 22,65,013.

As at 31 March 2020

Sr. No.	Particulars	Location	Gross block			Depreciation			Net block At 31 March 2020
			As at 1 April 2019	Additions	Disposals	At 31 March 2020	Charge for the year	Disposals	At 31 March 2020
1	Plant and equipment	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	88,12,13,594 90,85,60,876 98,26,39,409	- - -	- 5,64,273 -	88,12,13,594 90,85,60,876 98,20,75,136	2,94,60,058 3,03,87,531 3,28,43,633	- - 45,676	8,47,38,877 8,70,76,140 7,85,87,977
2	Building	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	2,07,80,896 1,56,67,056 4,70,73,654	- - 18,31,891	- -	2,07,80,896 1,56,67,056 4,89,05,545	6,96,502 5,24,940 16,19,864	- -	19,46,183 14,73,980 26,39,920
3	Freehold land *	Ramadurg (22.3 MWp DC) Shirahatti (22.3 MWp DC) Mulbagal (22.3 MWp DC)	9,63,32,247 9,32,15,503 13,02,94,119	30,100 20,83,240 24,78,000	- -	9,63,62,347 9,52,98,743 13,27,72,119	- -	-	-
			43,09,015	-	-	43,09,015	-	-	-
	Total		3,18,00,86,469	64,23,231	5,64,273	3,18,59,45,327	9,55,32,528	45,676	25,64,63,077

* The Company is in the process of getting 26 sale deeds registered in its name amounting to Rs. 15,62,84,268.

3B. Capital work in progress of Rs. Nil (31 March 2020: Rs. 56,63,174) pertains towards land for Mulbagal project (22.3 MWp DC).

3C. Right of Use Assets (in Rs.)

Description	Land
Cost	97,40,847
Balance as on 1 April 2019 due to adoption of Ind AS 116	-
Additions during the year	-
Balance as at 31 March 2020	97,40,847
Additions during the year	-
Balance as at 31 March 2021	97,40,847
Accumulated amortisation	-
Balance as on 1 April 2019 due to adoption of Ind AS 116	3,47,887
Depreciation for the year	3,47,887
Balance as at 31 March 2020	3,47,887
Depreciation for the year	6,95,775
Balance as at 31 March 2021	-
Net carrying amount as at 31 March 2020	93,92,960
Net carrying amount as at 31 March 2021	90,45,072
Grand Total (A+B)	2,85,64,52,572

Note : Property, plant and equipment has been hypothecated as security for borrowings by the Company (note 13).

(in Rs.)		
4 Non current tax assets (net)		
Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax and tax deducted at source [net of provision Rs. 81,053 (31 March 2020: Nil)]	75,21,477	92,88,843
Total	75,21,477	92,88,843

(in Rs.)		
5 Other non current assets		
Particulars	As at 31 March 2021	As at 31 March 2020
Security deposit (unsecured, considered good)	9,36,025	9,36,025
Prepayments	2,03,076	4,06,896
Capital advances	2,66,63,995	3,62,57,085
Total	2,78,03,096	3,76,00,006

(in Rs.)		
6 Trade receivables		
Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	19,77,28,824	11,75,16,902
Total	19,77,28,824	11,75,16,902

(in Rs.)		
Break up for security details		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good	19,77,28,824	11,75,16,902
Trade receivables which have significant increase in credit risk [note 32(C)(a)]	-	-
Trade receivables - credit impaired [note 32(C)(a)]	-	-
Total	19,77,28,824	11,75,16,902

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

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

(in Rs.)		
7 Cash and cash equivalents		
Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
On current accounts	34,41,815	5,54,24,676
Deposits with original maturity of less than three months	40,26,530	3,20,00,000
Total	74,68,345	8,74,24,676

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.

(in Rs.)		
8 Bank balances other than cash and cash equivalents		
Particulars	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity period of more than three months but less than twelve months	15,59,66,748	15,12,10,000
Total	15,59,66,748	15,12,10,000

(in Rs.)		
9 Other financial assets		
Particulars	As at 31 March 2021	As at 31 March 2020
Accrued interest	3,69,905	5,63,294
Unbilled revenue	4,77,54,252	4,60,83,491
Receivables from related parties (note 28)	83,843	2,51,340
Receivables for sale of transmission line	-	2,81,56,807
Others	-	1,67,560
Total	4,82,08,000	7,52,22,492

For terms and conditions relating to related party receivables, refer note 28.

(in Rs.)		
10 Other current assets		
Particulars	As at 31 March 2021	As at 31 March 2020
Prepayments	45,83,931	56,81,112
Balances with government authorities	17,952	1,200
Other advances	4,223	2,80,505
Total	46,06,106	59,62,817

11 Equity share capital

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
7,00,00,000 (31 March 2020: 7,00,00,000) equity shares of Rs. 10 each	70,00,00,000	70,00,00,000
	70,00,00,000	70,00,00,000
Issued equity capital		
6,65,85,354 (31 March 2020: 6,65,85,354) equity shares of Rs. 10 each issued, subscribed and fully paid	66,58,53,540	66,58,53,540
	66,58,53,540	66,58,53,540

(a) Reconciliation of number of shares outstanding

(in nos.)

Particulars	As at 31 March 2021	As at 31 March 2020
Equity shares outstanding at the beginning of the year	6,65,85,354	6,65,85,354
Issued during the year	-	-
Number of shares outstanding at the end of the year	6,65,85,354	6,65,85,354

(b) Term/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 of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(c) Shares held by Holding Company:

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount in Rs	Number of shares	Amount in Rs
Grasim Industries Limited and its nominees	6,65,85,354	66,58,53,540	6,65,85,354	66,58,53,540

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

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Grasim Industries Limited and its nominees	6,65,85,354	100%	6,65,85,354	100%

12 Other equity

(in Rs.)

Particulars	As at 31 March 2021	As at 31 March 2020
Surplus in the statement of profit and loss		
Opening balance	(2,24,40,015)	13,97,89,546
Profit/(loss) for the year	20,41,26,497	(16,22,29,561)
Closing balance	18,16,86,482	(2,24,40,015)
Other comprehensive income		
Opening balance	-	(1,11,53,672)
Additions during the year	(10,916)	1,11,53,672
Closing balance	(10,916)	-
Securities premium		
Opening balance	15,13,304	15,13,304
Additions during the year	-	-
Closing balance	15,13,304	15,13,304
Total	18,31,88,870	(2,09,26,711)

Nature and purpose of reserve

Securities premium is credited when shares are issued at premium. It can be used for the purposes mentioned in the section 52 of the Companies Act, 2013.

13 Borrowings in Rs.		
Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Term loan	2,05,19,66,714	1,90,24,98,475
Letter of credit discounted	16,11,14,807	49,80,48,339
	2,21,30,81,521	2,40,05,46,814
Less: Current maturity of long term debt shown under other financial liabilities (note 17)	14,56,00,000	7,28,00,000
Total non current borrowings	2,06,74,81,521	2,32,77,46,814
Unsecured		
Current		
Inter Corporate loan (note 28)	11,90,00,000	13,00,00,000
Total current borrowings	11,90,00,000	13,00,00,000

Summary of borrowing arrangements

As at 31 March 2021

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Rupee term loan Bank of Baroda	2,02,73,50,105	2,05,19,66,714	8.35%-9.20%	The loan is repayable in structured quarterly instalments as per the loan agreements upto September 2034.
Letter of credit discounted Yes Bank	16,11,14,808	16,11,14,807	8.20% - 9.00%	The Company has refinanced the loan with Bank of Baroda for the residual tenor by signing an assignment cum amendment deed executed between the Company, Bank of Baroda and Yes Bank. The letter of credit on its maturity will be converted into a term loan with Bank of Baroda having the repayment terms as mentioned above. The maturity of various letter of credit discounted is between June 2020 to April 2021.
Unsecured				
Inter corporate loan Palace Solar Energy Private Limited	2,90,00,000	2,90,00,000	8.25%	26 September 2021
Grasim Industries Limited	9,00,00,000	9,00,00,000	9.35%	22 February 2022

As at 31 March 2020

Particulars	Gross amount (Rs.)	Carrying value (Rs.)	Effective interest rate (%)	Repayment terms
Secured				
Rupee term loan Bank of Baroda	1,88,47,37,758	1,90,24,98,475	9.20%	The loan is repayable in structured quarterly instalments as per the loan agreements upto September 2034. The Company has opted for moratorium for repayment of principal falling due to the bank from March 2020 to May 2020 granted by Reserve Bank of India as a relief measure for COVID -19.
Letter of credit discounted Yes Bank	48,83,06,026	49,80,48,339	7.02% - 9.00%	The Company has refinanced the loan with Bank of Baroda for the residual tenor by signing an assignment cum amendment deed executed between the Company, Bank of Baroda and Yes Bank. The letter of credit on its maturity will be converted into a term loan with Bank of Baroda having the repayment terms as mentioned above. Hence the same has been reclassified under non current borrowings. The maturity of various letter of credit discounted is between June 2020 to April 2021.
Unsecured				
Inter corporate loan Grasim Industries Limited	13,00,00,000	13,00,00,000	9.35%	26 August 2020

Security

The above borrowing arrangements are secured as follows:

- 1) First charge on the assets of the projects, both present and future, located at Ramadurg, Shirahatti and Mulbagal.
- 2) Exclusive charge on respective project's current assets, all cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, uncalled capital, present and future.
- 3) Exclusive charge on respective collection account, debt service reserve account and other reserves and any other bank accounts of the borrower 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 networth ratio and fixed asset coverage ratio. These covenants are to be tested as per the terms and conditions of the respective loan agreements. The Company has not defaulted on any loans which were due for payment.

14 Deferred tax liabilities (net) (in Rs.)

Particulars	At 31 March 2020	Charge for the year		At 31 March 2021
		Profit and loss	Other Comprehensive Income	
Deferred tax assets				(3,42,014)
Preliminary expenses	(6,84,028)	3,42,014	-	(1,11,318)
Employee benefit expenses	-	(1,07,646)	(3,672)	(39,43,57,199)
Business losses and unabsorbed depreciation (note a)	(30,37,81,628)	(9,05,75,571)	-	(39,48,10,531)
	(30,44,65,656)	(9,03,41,203)	(3,672)	
Deferred tax liabilities				49,70,52,112
Accelerated depreciation for tax purposes	52,44,05,035	(2,73,52,923)	-	10,22,41,111
Deferred tax liabilities/(assets)	21,19,39,379	11,76,94,126	3,672	

Particulars	As at 31 March 2019	Charge for the year		At 31 March 2020
		Profit and loss	Other Comprehensive Income	
Deferred tax assets				(6,84,028)
Preliminary expenses	(11,87,157)	5,03,129	-	(1,05,762)
Share issue expenses	(1,05,762)	1,05,762	-	(30,37,81,628)
Business losses and unabsorbed depreciation (note a)	(49,07,20,783)	18,69,39,155	-	(30,44,65,656)
	(49,20,13,702)	18,75,48,046	-	
Deferred tax liabilities				-
Borrowings (note b)	(1,11,01,991)	1,11,01,991	-	52,44,05,035
Accelerated depreciation for tax purposes	54,49,08,653	(2,05,03,618)	-	52,44,05,035
	53,38,06,662	(94,01,627)	-	
Net movement on cash flow hedge	(45,82,321)	-	45,82,321	-
MAT credit entitlement	(3,99,20,418)	3,99,20,418	-	-
Deferred tax liabilities/(assets)	27,09,779	21,06,66,37	45,82,321	21,99,99,779

Notes:

- a) Recognized on business losses which will be available to offset against future taxable income of the Company
b) Reversal of deferred tax liability earlier created on borrowings due to difference in actual interest and effective interest.

Reconciliation of effective tax rate (in Rs.)

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax as per the statement of profit and loss	8,65,13,424	5,58,37,276
Statutory tax rate applicable	25.17%	25.17%
Computed tax expense	2,17,75,429	1,40,54,242
Tax effect of:		
Non deductible expenses	6,79,409	2,03,90,906
Impact of additional depreciation in opening WDV of fixed assets as per Income Tax notification	(13,94,54,517)	-
Loss of earlier year recognised in current year		2,32,762
Impact of adoption of new tax rates and change in tax rates	(97,278)	17,21,90,837
Loan transaction expenses on borrowings	-	1,11,01,991
Others	(5,16,116)	96,098
Total	(13,93,88,502)	20,40,12,594
Tax expense recognised in the statement of profit and loss	(11,76,13,073)	21,80,66,837
Effective tax rate	-135.95%	390.54%

15 Provisions (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity	4,49,722	-
Leave encashment	6,38,206	-
Total	10,87,928	-

16 Trade payables (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro and small enterprises (note 30)	42,59,265	1,82,520
Total outstanding dues of creditors other than micro and small enterprises (including related party dues (note 28))	23,43,067	35,85,850
Total	66,02,332	37,68,370

Terms and conditions of trade payables:
Trade payables are non interest bearing and credit period varies as per the terms of the contract/work order/purchase order executed with each vendor.

17 Other financial liabilities (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Interest accrued but not due on borrowings	42,57,290	1,50,14,205
Liability for capital expenditure	9,24,925	12,48,467
Current maturity of long term debt (note 13)	14,56,00,000	7,28,00,000
Provision for expenses	51,40,279	39,40,249
Payable to related parties (note 28)	19,53,237	38,63,173
Other payables	14,26,338	7,06,118
Total	15,93,02,069	9,75,72,212

18 Other current liabilities (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Statutory liabilities		
Tax deducted at source	6,97,276	4,02,233
Goods and service tax payable	1,64,343	44,08,282
Profession Tax Payable	2,200	-
PF Payable	51,811	-
Total	9,15,630	48,10,515

19 Provisions (in Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity	1,455	-
Leave encashment	80,242	-
Total	81,697	-

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
20 Revenue from operations		
Solar power generation		
Ramadurg (22.3 MWp DC)	16,23,43,026	16,64,92,062
Shirahatti (22.3 MWp DC)	16,32,74,563	16,64,60,083
Mulbagal (22.3 MWp DC)	13,91,64,582	14,27,52,130
Other operating income		
Scrap sale	-	25,000
Income from verified carbon standard (VCS) scheme credits	7,08,506	15,80,253
Total	46,54,90,677	47,73,09,528

The Company has two major customers namely, Bangalore Electricity Supply Company Limited for its Mulbagal (22.3 MWp DC) plant and Hubali Electricity Supply Company Limited for Ramadurg (22.3 MWp DC) and Shirahatti (22.3 MWp DC) solar power projects. The Company has entered into PPAs with customers 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.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Contract balances		
Contract assets		
Contract liabilities		
Receivables		
Trade receivables (note 6)	19,77,28,824	11,75,16,902
Unbilled revenue (note 9)	4,77,54,252	4,60,83,491
Total	24,54,83,076	16,36,00,393

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

Transaction Price - Remaining Performance Obligation

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

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
21 Other income		
Interest income	60,77,665	75,69,700
Profit on sale of fixed asset	-	56,427
Interest income on income tax refund	78,729	4,45,130
Total	61,56,394	80,71,257

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
22 Operation and maintenance expenses		
Operation and maintenance expenses	2,54,66,641	2,45,20,364
Staff provision charges (note 28)	12,58,680	12,22,019
Total	2,67,25,321	2,57,42,383

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
23 Employee benefit expenses		
Salaries, wages and bonus	89,53,068	-
Contribution to provident and other funds	4,85,886	-
Staff welfare expenses	5,97,578	-
Total	1,00,36,532	-

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
24 Finance costs		
Interest cost on borrowings	22,88,61,662	20,76,78,372
Bank charges	9,434	24,754
Total	22,88,71,096	20,77,03,126

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
25 Other expenses		
Rental expenses	64,21,762	46,65,809
Insurance expenses	36,88,521	20,45,133
Expense on sale of transmission line	-	61,91,507
Loss on dismantling of transmission line	-	5,59,19,999
Deputation charges	17,40,413	41,46,102
Repairs and maintenance	29,55,939	10,01,340
Statutory license fees	10,48,566	15,19,994
Rates and taxes	63,624	17,140
Legal and professional fees	23,96,209	25,76,920
Payment to statutory auditors	10,48,784	23,56,578
Managerial remuneration (note 28)	1	3
Provision against capital advances	-	1,76,96,665
CSR expenditure	21,30,000	12,11,000
Miscellaneous expenses	23,33,517	9,15,070
Total	2,38,27,336	10,02,63,260

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment to statutory auditors		
Audit fees	9,47,894	20,62,463
Tax audit fees	1,00,890	1,59,890
Certification	-	41,300
Reimbursement of expenses	-	92,925
Total	10,48,784	23,56,578

(in Rs.)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Details of CSR expenditure		
(a) Gross amount required to be spent by the Company for the year	21,29,891	12,10,550

(in Rs.)			
	In cash	Yet to be paid in cash	Total
(b) Amount spent during the year ended on 31 March 2021			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above - donation to AWO Foundation	21,30,000	-	21,30,000
(c) Amount spent during the year ended on 31 March 2020			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above - donation to AWO Foundation	12,11,000	-	12,11,000

26 Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year 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	As at 31 March 2021	As at 31 March 2020
Profit/(loss) attributable to equity holders (in Rs.)	20,41,26,497	(16,22,29,561)
Weighted average number of equity shares for basic and diluted EPS	6,65,85,354	6,65,85,354
Basic and diluted earnings per share (in Rs.)	3.07	(2.44)

27 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 risk management objectives and policies (note 32)
- Capital management (note 32)

a) Judgements

In the process of applying the Company's accounting policies, the management has made the following judgement, which has the most significant effect on the amounts recognised 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 Agreements (PPAs) entered into with its customer 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.

b) 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.

i) Useful lives of property, plant and equipment

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.

ii) Recognition and measurement of provisions and contingencies

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

28 Related party transactions

Name of related parties and description of relationship with whom transactions have taken place during the year ended 31 March 2021

(A) Holding Company

Grasim Industries Limited

(B) Fellow Subsidiary

Aditya Birla Renewables Limited

(C) Subsidiaries of Fellow Subsidiary

Aditya Birla Renewables SPV 1 Limited

Aditya Birla Renewables Subsidiary Limited

(D) Key managerial personnel

Ravinder Khanna, Director (cessation w.e.f. 14 March 2021)

Devajyoti Bhattacharya, Managing Director

Amitabh Verma, Director (w.e.f. 20 March 2021)

Pinky Atul Mehta, Director

Akhil Mundra, Chief Financial Officer (upto 08 November 2019)

Ranjita Deo, Chief Financial Officer (w.e.f. 08 November 2019)

(E) Other related party in which directors of Holding Company are interested

Aditya Birla Management Corporation Private Limited

Details of transactions with related parties (In Rs.)

Sr. No.	Particulars	For the year ended	
		31 March 2021	31 March 2020
1	Inter corporate loan taken Grasim Industries Limited Interest charged to statement of profit and loss	- 1,02,28,040	13,00,00,000 10,98,945
		1,02,28,040	13,10,98,945
2	Inter corporate loan repaid Grasim Industries Limited Interest	4,00,00,000 1,03,58,460	- -
		6,73,58,460	-
3	Inter Corporate Loan given Aditya Birla Renewables Limited	-	1,00,00,000
4	Repayment against loan given Aditya Birla Renewables Limited Principal Interest booked in statement of profit and loss	- - -	1,00,00,000 86,164 -
		-	1,00,86,164
5	Supervision and monitoring of operation and maintenance services charged to statement of profit and loss Grasim Industries Limited	12,58,680	12,22,019
6	Compensation of Key Management Personnel Short-term employee benefits Post-retirement benefits	40,74,325 67,340	3 -
7	Sale of cable Aditya Birla Renewables SPV 1 Limited Aditya Birla Renewables Subsidiary Limited Aditya Birla Renewables Limited	- - -	1,67,560 83,780 2,60,426
8	Reimbursement of rental expenses Aditya Birla Management Corporation Limited	63,01,762	45,15,809
9	Reimbursement of expenses Aditya Birla Renewables Limited	20,95,821	41,46,102
10	Transfer of employee related liabilities Aditya Birla Renewables Limited	10,13,754	-
11	Reimbursement of insurance charges Grasim Industries Limited	57,546	-

Details of closing balances of related parties (In Rs.)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
1	Share capital including securities premium Grasim Industries Limited	66,73,66,844	66,73,66,844
2	Inter corporate loan Grasim Industries Limited Interest (net of TDS)	9,00,00,000 7,08,191	13,00,00,000 9,89,051
3	Supervision and monitoring of operation and maintenance services payable Grasim Industries Limited	2,95,155	2,81,440
4	Receivables for sale of cable Aditya Birla Renewables SPV 1 Limited Aditya Birla Renewables Subsidiary Limited	- 83,843	1,67,560 83,780
5	Reimbursement of expenses (payable) Aditya Birla Renewables Limited	3,55,408	38,63,173
6	Transfer of employee related liabilities (payable) Aditya Birla Renewables Limited	23,890	-
7	Compensation of Key Management Personnel Short-term employee benefits	3	3
8	Reimbursement of rental expenses Aditya Birla Management Corporation Limited	15,73,939	-
9	Provision for rental expenses Aditya Birla Management Corporation Limited	13,29,993	11,28,952

Note: Related party relationships as per Indian Accounting Standard (Ind AS 24) have been identified by the management and relied upon by the auditors.

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 year-end are unsecured and settlement occurs in cash. For the year ended 31 March 2021 and 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.

29 Segment Information

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.

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

Particulars	(In Rs.)	
	As at 31 March 2021	As at 31 March 2020
Principal amount due to micro enterprises and small enterprises	50,81,481	1,82,520
Interest due on above	-	-
Amount of interest paid during the year	-	-
The amount of interest due and payable for the year of delay in making payment but without adding the interest specified under the MSMED Act 2006	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
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.

31 Classification of financial instruments

Particulars	Carrying value		Fair value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial assets				
Measured at amortized cost (carrying values approximates the amortized cost):				
Trade receivables (note 6)	19,77,28,824	11,75,16,902	19,77,28,824	11,75,16,902
Cash and cash equivalents (note 7)	74,68,345	8,74,24,676	74,68,345	8,74,24,676
Bank balances other than cash and cash equivalents (note 8)	15,59,66,748	15,12,10,000	15,59,66,748	15,12,10,000
Other financial assets (note 9)	4,82,08,000	7,52,22,492	4,82,08,000	7,52,22,492
Financial liabilities				
Measured at amortized cost (carrying values approximates the amortized cost):				
Borrowings (note 13)	2,18,64,81,521	2,45,77,46,814	2,18,64,81,521	2,45,77,46,814
Trade payables (note 16)	66,02,332	37,68,370	66,02,332	37,68,370
Other financial liabilities note 17	15,93,02,069	9,75,72,212	15,93,02,069	9,75,72,212

The Company has assessed that trade receivables, cash and cash equivalents, bank balance, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term nature of the instruments. Long term borrowings are evaluated based on parameters such as interest rate and risk characteristic of financial project. Based on the evaluation, no impact has been identified.

32 Financial risk management objectives and policies

(A) Market risk

The Company's principal financial liabilities, other than derivatives, comprise of borrowings, trade payables and other financial liabilities. 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 receivables, other financial assets, cash and cash equivalents and bank balances other than cash and cash equivalents that arise directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit 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 Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

The sources of risks which the Company is exposed to and their management is as follows:

Risks	Exposure risks 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, derivative financial instruments	Ageing analysis, credit rating	Credit monitoring, credit limit and credit worthiness monitoring of the counter parties
Liquidity risk	Borrowings and other financial liabilities	Rolling cashflow forecasts	Borrowing facilities diversification

Details relating to the risks are provided here below:

(i) Foreign currency risk

There is no hedged or unhedged foreign currency exposure in the company during the year.

(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 pre-tax equity by Rs.2,30,74,649 (31 March 2020: Rs.2,30,30,438) If the rate is decreased by 1%, the profit before tax 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 and foreign exchange transactions.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade receivables

The Company has already evaluated the credit worthiness of the parties 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 2021 is Rs. 19,77,28,824 (31 March 2020: Rs. 11,75,16,902).

b. Cash and cash equivalents, bank deposits and derivative instruments

Credit Risk on cash and cash equivalents, deposits, derivative instruments is generally low as the Company 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.

Particulars	(In Rs.)				
	As at 31 March 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years
Trade payables		66,02,332	-	-	-
Borrowings		26,46,00,000	39,26,00,000	31,20,00,000	1,33,82,64,913
Other financial liabilities		15,93,02,069	-	-	-
Total		43,05,04,401	39,26,00,000	31,20,00,000	1,33,82,64,913

Particulars	(In Rs.)				
	As at 31 March 2020	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years
Trade payables		37,68,370	-	-	-
Borrowings		13,00,00,000	35,49,00,000	31,07,00,000	1,63,46,43,784
Other financial liabilities		9,75,72,212	-	-	-
Total		23,13,40,582	35,49,00,000	31,07,00,000	1,63,46,43,784

(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 capital, securities premium, and all other equity reserves attributable to the equity holders.

The Company monitors capital using a debt to equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loan and borrowings, less cash and cash equivalents.

(In Rs.)		
Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings (note 13)	2,33,20,81,521	2,53,05,46,814
Less: Cash and cash equivalents (note 7)	74,68,345	8,74,24,676
Net debt	2,32,46,13,176	2,44,31,22,138
Equity (note 11 & note 12)	84,90,42,410	64,49,26,829
Debt to equity ratio	2.74	3.79

33. Retirement benefits

33.1 Defined Contribution Plan:

Amount of Rs. 3,56,982 (31 March 2020 : Rs. Nil) is recognised as an expense and included in note 23 - 'employee benefit expenses' in the statement of profit and loss.

33.2 Employee benefits- Defined benefits plans as per Actuarial Valuation:

Gratuity:

The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of service, whichever is earlier, of an amount equivalent to 15 to 30 days salary for each completed year of service, as per rules framed in this regard. Vesting occurs upon completion of five continuous years of service in accordance with Indian law. In case of majority of employees, the Company's scheme is more favourable as compared to the obligation under payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

Since the payroll was transferred from Aditya Birla Renewables Limited with effect from 01 September 2020, no comparative figures have been provided for the year ended 31 March 2020.

Statement of profit and loss		(in Rs.)
Net employee benefit expense recognized in the employee cost		For the year ended 31 March 2021
Current service cost		98,327
Interest cost on benefit obligation		10,077
Past service cost		-
Expected return on plan assets		-
Net actuarial (gain)/loss recognized in the year		-
Net benefit expense recognised in the statement of profit and loss		1,08,404

Balance sheet		(in Rs.)
Particulars	As at 31 March 2021	
Opening net defined benefit liability/(asset)		-
Expense charged to profit and loss account		1,08,404
Amount recognized outside profit & loss account		14,588
Employer contribution		-
Impact of liability assumed or (settled)		3,28,185
Closing net defined benefit liability/(asset)		4,51,177

Changes in the present value of the defined benefit obligation are as follows:		(in Rs.)
Particulars	As at 31 March 2021	
Opening defined benefit obligation		-
Current service cost		98,327
Benefits directly paid by the Company		-
Interest on defined benefit obligation		10,077
Actuarial (gains)/losses on obligation		14,588
Liabilities assumed/(settled)		3,28,185
Closing defined benefit obligation as at the end of the year		4,51,177

The principal assumptions used in determining benefit obligations are shown below:

Particulars	For the year ended 31 March 2021
Discount rate (per annum)	6.10%
Age of retirement	60 years
Annual increase in salary cost	6.00%
Attrition/withdrawal rate (per annum)	-
Age (in years)	Rate (p.a.)
21-30	13%
31-40	0%
41-50	13%
51-59	33%
Mortality (table)	IALM (2012-14) Ultimate

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

33.3 The sensitivity analysis on defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2021	
	Discount rate	Salary escalation rate
Defined benefit obligation on increase in 50 bps	4,26,831	4,77,327
Impact of increase in 50 bps on defined benefit obligation	-5.40%	5.80%
Defined benefit obligation on decrease in 50 bps	4,77,429	4,26,697
Impact of decrease in 50 bps on defined benefit obligation	5.82%	-5.43%

33.4 The obligation for compensated absences is recognised in the same manner as gratuity, amounting to charge of Rs.3,19,304 (31 March 2020 - Rs. Nil)

33.5 The expected maturity analysis of gratuity are as follows:

As at 31 March 2021	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years	Total
Gratuity	1,455	21,149	75,002	8,79,982	9,77,588

34 Capital commitments

Particulars	(in Rs.)	
	As at 31 March 2021	As at 31 March 2020
Estimated amount to be paid for contracts executed on capital account and not provided for (net of advances)		14,55,825
Total	-	14,55,825

35 There are no contingent liabilities as at 31 March 2021 (31 March 2020 : Nil).

36 The Board of Directors in its meeting held on 26 November 2019 had approved the merger of the Company with Aditya Birla Renewables Limited (ABReL), a wholly owned subsidiary of Grasim Industries Limited. On merger, the shareholders of the Company will be issued shares of ABReL. The appointed date of the Scheme is 01 April 2019, however, it will take effect upon receipt of requisite approvals and fulfilment of conditions stated in the scheme. The Company along with ABReL had filed a joint application and Scheme of Arrangement with the NCLT, Mumbai on 27 March 2020 in this regard. The matter was heard on 17 February 2021 wherein the application was allowed. Pursuant to this hearing, the Company received the detailed order from NCLT on 9 April 2021 and the Company has complied with the directions as set out in the order. The Company is in process of filing a compliance affidavit with respect to the aforesaid directions and a petition seeking sanction on the merger and the dissolution of the Company. Pending the scheme coming into force, no effect of the same has been considered in the financial statements

37 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 continues to assess the recoverability of the carrying amount of its assets through consideration of various internal and external information and has concluded that these carrying amounts are recoverable as on 31 March 2021. The 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.

38 Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

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

per Vinay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 18 May 2021

For and on behalf of the Board of Directors of
Aditya Birla Solar Limited


Devajyoti Bhattacharya
Managing Director
DIN: 00868


Amitabh Verma
Director
DIN: 08990619


Ranjita Deo
Chief Financial Officer


Anjali Jain
Company Secretary
Membership No.: ACS 55411

Place: Mumbai
Date: 18 May 2021

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400 030

BOARD'S REPORT

Dear Shareholders,

The Directors of your Company are pleased to present the 27th (Twenty Seventh) Annual Report and the audited financial statements of the Company for the financial year ended 31st March 2021.

FINANCIAL HIGHLIGHTS:

The financial performance for the financial year ended 31st March 2021 is summarized below:

(Amount in 'Rs.')

Particulars	For the year ended	
	31 st March 2021	31 st March 2020
Net Sales /Income from Business Operations	30,304,045	23,359,017
Other Income	12,249,840	12,112,140
Total Income	42,553,885	35,471,157
Less: Total Expenditure	2,116,301	1,802,981
Less: Interest	-	10,184,018
Profit before Depreciation	4,04,37,584	23,484,158
Less: Depreciation	2,432,460	2,560,476
Profit after depreciation and Interest	38,005,124	20,923,682
Less: Current Income Tax	68,75,000	4,033,000
Less: Deferred Tax	-	-
Less: Previous year adjustment of Income Tax	(153,289)	6,504
Net Profit after Tax	31,283,413	16,884,178
Net Profit after dividend and Tax	31,283,413	16,884,178
Amount transferred to General Reserve	(6,256,683)	(3,376,836)
Balance carried to Balance Sheet	25,026,730	13,507,342
Earning per share (Basic)	4.81	2.60
Earning per Share(Diluted)	4.81	2.60

OPERATIONS OF THE COMPANY

The Company carries on the business of investment in securities of group companies and lending of money without securities upon such terms and conditions as may be deemed expedient and earning interest thereon.



CIN: U67120MP1994PLC008447

Registered Office: Birlagram, Nagda (M.P) 456-331

E: grasim.secretarial@aditvabirla.com | T: 07366 246760

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400 030

DIVIDEND

The Directors of your Company have not recommended any dividend in order to conserve cash for the business operations.

TRANSFER TO RESERVES

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint venture or Associate Company. The Company is a wholly-owned subsidiary of Grasim Industries Limited.

SHARE CAPITAL

The Authorised Share Capital of the Company is ₹ 7,00,00,000/- (Rupees Seven Crore Only) divided into 69,99,000 (Sixty Nine Lakh Ninety Nine Thousand) Equity Shares of ₹ 10/- (Rupees Ten) each and 100 (One Hundred) 15% Redeemable Cumulative Preference Shares of ₹ 100/- (Rupees One Hundred) each. The paid up share capital of the Company is ₹ 6,50,00,000/- (Rupees Six Crore Fifty Lakh Only) divided into 65,00,000 (Sixty Five Lakh) Equity shares of ₹ 10/- (Rupees Ten Only) each. During the year under review, there was no change in the Share Capital of the Company.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public falling under section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of loans, guarantees and investments, if any, under section 186 of the Companies Act, 2013 are furnished under relevant notes to the financial statements of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March 2021, your Board comprises of 3 (Three) Non-Executive Directors. Your Directors on the Board have relevant experience and competency suitable for the business. All Directors are liable to retire by rotation. Mr. Pavan Kumar Jain, a Director of the Company retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. During the year there was no change in the Directors of the Company.

Mrs. Mansi Laheri is Company Secretary of the Company.



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MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy.

The Board of Directors met 4 (Four) times during the year on 21st May 2020, 24th July 2020, 26th October 2020 and 25th January 2021. The requisite quorum was present for all the aforesaid meetings. The maximum interval between any two meetings did not exceed 120 days.

The attendance for the Financial Year 2020-21 are as follows:-

Name of Directors	Category	No. of Meetings	
		Held	Attended
Mr. Gopi Krishna Tulsian	Non-Executive Director	4	4
Mr. Shailendra Kumar Jain	Non-Executive Director	4	4
Mr. Pavan Kumar Jain	Non-Executive Director	4	4

DECLARATION BY INDEPENDENT DIRECTORS

The provisions of Section 149 of the Companies Act, 2013 pertaining to the appointment of Independent Directors and declaration to be made by the Independent Directors do not apply to your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Company is committed to maintain the highest standards of Corporate Governance.

Pursuant to sub-section (5) of section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the accounting policies selected have been applied consistently and judgments and estimates are made 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/loss of your Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- Annual Accounts have been prepared on a 'going concern basis';

CIN: U67120MP1994PLC008447

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SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

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- e. your Company has laid down internal financial controls, and that such internal financial controls are adequate and are operating effectively; and
- f. your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no particulars to report as required under the provisions of section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption considering the nature of activities undertaken by the Company during the year under review. Further, the Company has neither earned nor used any foreign exchange.

STATUTORY AUDITORS

M/s G.P. Kapadia & Co., Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 28th August 2020. Their continuance of appointment and payment of remuneration are to be approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

COST AUDITORS

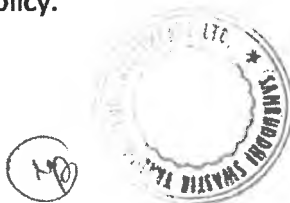
The provisions of Cost Audit as prescribed under section 148 of the Companies Act, 2013 are not applicable to the Company.

SECRETARIAL AUDITORS

The provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy.



CIN: U67120MP1994PLC008447

Registered Office: Birlagram, Nagda (M.P) 456-331

E: prasim.secretarial@adityabirla.com | T: 07366 246760

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400 030

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, your company has formulated a Policy on CSR and has also constituted a CSR Committee to recommend and monitor expenditure on CSR. The details of CSR Expenditure are given in the prescribed format and forms part of this Report as Annexure "A".

Further, the Company has spent a sum of Rs. 11 lakh as an entire CSR obligation for the financial year ended up to 31st March 2021 for CSR activities as approved by the CSR Committee and Board of Directors. The Company has also spent an additional amount of Rs. 7 lakh pertaining to CSR obligation of FY 2018-19 by way of contribution to the PM CARES Fund as part of good corporate governance practice and in view of the pandemic situation.

RISK MANAGEMENT

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence is very minimal.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is provided in Annexure B.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Controls commensurate with the size, scale and complexity of its operations to ensure the orderly and efficient conduct of its business.

AUDIT COMMITTEE

Since your Company is a wholly-owned subsidiary of Grasim Industries Limited, it is exempted from constituting an Audit Committee of the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company, under the provisions of Section 135 of the Companies Act, 2013 has a Corporate Social Responsibility Committee (CSR Committee) comprising of 3 (Three) Directors. The CSR Committee acts in accordance with the terms of reference specified by the Board. The Composition of the CSR Committee is as under:

- a. Mr. Gopi Krishna Tulsian
- b. Mr. Shailendra Kumar Jain
- c. Mr. Pavan Kumar Jain



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During the year 2 (two) meetings of the CSR Committee of the Board of Directors of the Company were held on 21st May 2020 and 26th October 2020. The attendance in the CSR Committee Meeting held during the Financial year 2020-21 is as follows:-

Name of Members	Category	No. of Meetings	
		Held	Attended
Mr. Gopi Krishna Tulsian	Non-Executive Director	2	2
Mr. Shailendra Kumar Jain	Non-Executive Director	2	2
Mr. Pavan Kumar Jain	Non-Executive Director	2	1

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

PARTICULARS OF EMPLOYEES

The particulars of employees of the Company as required under the provisions of Section 197 of the Companies Act 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

We further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The provision relating to constitution of Internal Complaints Committee is not applicable.

CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

All the related party transactions are strictly done on an arm's length basis and in ordinary course of business. Transactions with related parties are conducted in a transparent manner in the interest of the Company. Since all related party transactions entered into by the Company were in ordinary course of business and were on arm's length basis.



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EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS

There was no qualification, reservations or adverse remarks made by the Auditors in their report.

INTERNAL AUDIT FRAMEWORK

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares; and
 - Employees Stock Option Scheme.
- There are no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operation in future.
- There was no revision in the financial statements or Board's Report in preceding three financial years.
- The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and accordingly such accounts and records are not made and maintained.
- There were no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.

CONVENING ANNUAL GENERAL MEETING THROUGH AUDIO VISUAL MEANS

Considering the continued COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 02/2021 dated 13th January 2021 read with circulars dated General Circular No. 20/2020 5th May 2020; General Circular No. 14/2020 dated 8th April 2020; General Circular No. 17/2020 dated 13th April 2020 (collectively referred to as 'MCA Circulars') permitted convening the Annual General Meeting through Video Conference (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013, the 27th Annual General Meeting of your Company will be convened and conducted through VC/OAVM.

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ACKNOWLEDGEMENTS

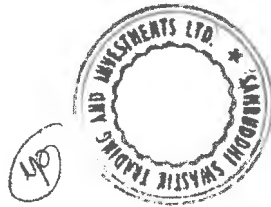
Your Directors place on record their sincere thanks to the banks, financial institutions, stakeholders, and various Government Authorities for their continued support extended to your Company's activities during the year under review.

**For and on behalf of the Board of Directors of
Samruddhi Swastik Trading and Investments Limited**


Gopi Krishna Tulsian
Director
DIN: 00017786


Pavan Kumar Jain
Director
DIN: 00703624

Place: Mumbai
Date: 10th May 2021



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SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

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Annexure A

The Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility (CSR) Policy of the Company is based on the vision to actively contribute to the social and economic development of the communities in which the Company operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. Composition of CSR Committee:

The Board of Directors of your Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors. CSR Committee is formed as per the provisions of the Companies Act, 2013.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Gopi Krishna Tulsian	Director	2	2
2.	Mr. Shailendra Kumar Jain	Director	2	2
3.	Mr. Pavan Kumar Jain	Director	2	1

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

As the Company does not have any website, the contents of the CSR Policy and the details of projects or programs are not placed on the website. A copy of the CSR Policy may be obtained from the registered office of the Company.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)- Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Not Applicable

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SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

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6. Average net profit of the Company as per section 135(5): Rs. 5,05,42,740
7. (a) Two percent of average net profit of the Company as per section 135(5): Rs.10,10,855
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 10,10,855
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11,00,000	-	-	-	-	-

During the year under review, the Company has spent an additional amount of Rs. 7,00,000 pertaining to CSR obligation for FY 2018-19 to the PM CARES Fund as part of good corporate governance practice and in view of the pandemic situation.

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Nil											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:



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SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

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(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In Rs.)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Multi Purpose Community Hall	Employment Enhancing, Vocational Skill Development	Yes	Village : Parmarkhedi, Tehsil : Nagda, District : Ujjain, State (M.P.), Pin : 456335		11,00,000	No	Grasim Jana Seva Trust, Nagda (M.P.)	CSR00004770
	Total					11,00,000			

(d) Amount spent in Administrative Overheads- Nil

(e) Amount spent on Impact Assessment, if applicable- Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) Rs. 11,00,000

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	10,10,855
(ii)	Total amount spent for the Financial Year	11,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	89,145
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	89,145

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.				Nil			



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(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details):

(a) Date of creation or acquisition of the capital asset(s) - February 2021

(b) Amount of CSR spent for creation or acquisition of capital asset – Rs. 11 lakh

Project got started in February 2021 and till March 2021, 65% of the work was completed. Due to lock down situation, the project could not be completed on or before 31st March 2021 and the remaining work was completed till the month of June 2021.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. -

Gram Panchayat - Parmarkhedi, Parmarkhedi, Nagda, Parmarkhedi, Ujjain (M.P.), 456335

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)-

Multi Purpose Community Hall Constructed, Gram Panchayat - Parmarkhedi, Parmarkhedi, Nagda, Parmarkhedi, Ujjain (M.P.), 456335



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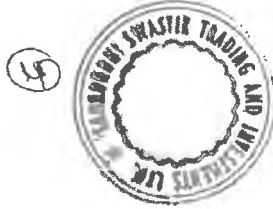
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- Not Applicable

**For and on behalf of the Board of Directors of
Samruddhi Swastik Trading and Investments Limited**


Gopi Krishna Tulsian
Director
DIN: 00017786


Pavan Kumar Jain
Director
DIN: 00703624

Place: Mumbai
Date: 10th May 2021



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai 400 030

ANNEXURE B

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on 31st March 2021

[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:

1.	CIN	U67120MP1994PLC008447
2.	Registration Date	1 st July 1994
3.	Name of the Company	Samruddhi Swastik Trading and Investments Limited
4.	Category/Sub-Category of the Company	Public Company limited by shares
5.	Address of the Registered Office and Contact Details	Birlagram, Nagda, Ujjain, 456 331, Madhya Pradesh
6.	Whether listed Company	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, India Toll Free No.: 1800-309-4001 Email: einward.ris@kfintech.com

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 Product/Services	NIC Code of the Product	% to total turnover of the Company
1.	Investment	6430	71%
2	Rental Income	6810	29%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1.	Grasim Industries Limited	L17124MP1947PLC000410	Holding	100	2(46)



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

i. Category-wise Share Holding.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%ofTotal Shares	Demat	Physical	Total	%ofTotal Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	-	10 [#]	10 [#]	-	10 [#]	-	10 [#]	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	6499990	6499990	100	6499990	-	6499990	100	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total- A-(1)	-	6500000	6500000	100	6500000	-	6500000	100	-
2. Foreign									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (1+2)	-	6500000	6500000	100	6500000	-	6500000	100	-
B. Public Shareholding									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	-	-	-	-	-	-	-	-	-
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	-	-	-	-	-	-	-	-	-
2. Non- Institution									
a. Body Corporate	-	-	-	-	-	-	-	-	-
b. Individual	-	-	-	-	-	-	-	-	-



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SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

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i. Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	-	-	-	-	-	-	-	-	-
c. Others	-	-	-	-	-	-	-	-	-
(i) NRI (Rep)	-	-	-	-	-	-	-	-	-
(ii) NRI (Non-Rep)	-	-	-	-	-	-	-	-	-
(iii) Foreign National	-	-	-	-	-	-	-	-	-
(iv) OCB	-	-	-	-	-	-	-	-	-
(v) Trust	-	-	-	-	-	-	-	-	-
(vi) In Transit	-	-	-	-	-	-	-	-	-
Sub-Total-B (2)	-	-	-	-	-	-	-	-	-
Net Total (1+2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	6500000	6500000	100	6500000	-	6500000	100	-

**Equity Shares held by Individuals as Nominee of Grasim Industries Limited*

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Grasim Industries Limited	6499990	100	-	6499990	100	-	-
2.	Pavan Kumar Jain*	5	-	-	5	-	-	-
3.	Anil Kumar Ladha*	1	-	-	1	-	-	-
4.	Hutokshi Wadia*	1	-	-	1	-	-	-
5.	Hemant Kadel*	1	-	-	1	-	-	-
6.	Shriram Jagetiya*	1	-	-	1	-	-	-
7.	Mahendra Bhandari*	1	-	-	1	-	-	-

**Equity Shares held by Individuals as Nominee of Grasim Industries Limited*



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- iii. Change in Promoters' Shareholding- There is no change in the shareholding of the Promoter Group.
- iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL
- v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year- 1 st April 2020		Shareholding at the end of the year 31 st March 2021	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the
1.	Mr. Pavan Kumar Jain*	5	-	5	-
2.	Mr. G. K. Tulsian	0	-	0	-
3.	Mr. Shailendra K. Jain	0	-	0	-
4.	Mrs. Mansi Laheri	0	-	0	-

* Shares are held as Nominee of Grasim Industries Limited.

V. INDEBTEDNESS:

During the year under review, indebtedness of the Company including interest outstanding / accrued but not due for payment is NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

NIL

B. REMUNERATION TO OTHER DIRECTORS:

NIL

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

Mrs. Mansi Laheri, Company Secretary of the Company is an employee of Grasim Industries Limited (Holding Company) and no remuneration was paid to her by the Company.



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VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES (UNDER THE COMPANIES ACT)

NIL

**For and on behalf of the Board of Directors of
Samruddhi Swastik Trading and Investments Limited**


Gopi Krishna Tulsian
Director
DIN: 00017786


Pavan Kumar Jain
Director
DIN: 00703624

Place: Mumbai
Date: 10th May 2021



CIN: U67120MP1994PLC008447

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SAMRUDDHI SWASTIK TRADING AND INVESTMENT LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **SAMRUDDHI SWASTIK TRADING AND INVESTMENT LIMITED**, which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and 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 financial statements give the information required by the Companies Act, 2013 ("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 2021, its profit and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 opinion.

Key Audit Matters

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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



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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 (Auditors' 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 A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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, and the statement of cash flows dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.



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- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"

(B) 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company doesn't have any pending litigations which would impact its financial statement.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For G.P Kapadia & Co.
Chartered Accountants
Firm Registration No: 104768W



Govind G. Ladha
Partner
Membership No: 116512
UDIN: 21116512AAAAAI8135



Mumbai
Date: 10/05/2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **SAMRUDDHI SWASTIK TRADING AND INVESTMENT LIMITED** on the financial statements for the year ended March 31, 2021]

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.
- 2) The company is not having any physical inventory. Accordingly, the provision of clause 3(ii) of the order is not applicable to the company.
- 3) 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 Act. Accordingly, the provisions of clause 3 (iii) of the Order is not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Accordingly, the provision of clause 3(v) of the order is not applicable to the company.
- 6) In our opinion and according to the information and explanation given to us, the Company is not required to maintain any cost record specified by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013, Accordingly, the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts



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payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.


- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks, government and debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) According to the information and explanations given to us, the managerial remuneration has not been paid or provided. Therefore, paragraph 3(xi) of the order is not applicable to the Company.
- 12) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and 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. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.



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- 16) The company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained.

**For G.P Kapadia & Co.
Chartered Accountants
Firm Registration No: 104768W**


**Govind G. Ladha -
Partner
Membership No: 116512
UDIN: 21116512AAAAAI8135**



**Mumbai
Date: 10/05/2021**

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1(A) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **SAMRUDDHI SWASTIK TRADING AND INVESTMENT LIMITED** on the financial statements for the year ended March 31, 2021]

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

We have audited the internal financial controls over financial reporting of **SAMRUDDHI SWASTIK TRADING AND INVESTMENT LIMITED** ("the Company") as of March 31, 2021 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 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide Reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and



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that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on 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).

For G.P Kapadia & Co.
Chartered Accountants
Firm Registration No: 104768W


Govind G. Ladha
Partner
Membership No: 116512
UDIN: 21116512AAAAAI8135



Mumbai
Date: 10/05/2021

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

CORPORATE INFORMATION

Samruddhi Swastik Trading and Investment Limited is a Public Limited Company incorporated on 13th January 1995 and domiciled in India, having its registered office at Birlagram, Nagda – 456331, Madhya Pradesh, India.

The Company currently operates as a Non Deposit Accepting Non-Banking Financial Company (“NBFC”) registered with the RBI vide certificate no. 03.00037 dated 3rd March 1998

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of Preparations:

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention and on an accrual basis to comply in all material respects of the Accounting Standards (AS) notified under Section 133 of Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 & Amendments Rules, 2016 and the guidelines issued by RBI as applicable to NBFC’s. The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

1.2. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company’s normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non-current.

1.3. Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, the actual outcome may be different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise.

1.4. Revenue Recognition:

Income from services is recognised as they are rendered (based on agreement / arrangement with the concerned customers). Dividend income on investments is accounted for as and when the right to receive the payment is established. Interest income is recognised on time-proportion basis. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of Investment and other incidental expenses.

1.5. General Reserve:

General Reserve, a free reserve, is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

1.6. Special Reserve:

An amount, not less than 20% of current year profit is transferred to Special Reserve, as per Prudential Norms of RBI as applicable to NBFC.

1.7. Fixed Assets:

Fixed Assets are stated at cost, less accumulated depreciation/amortisation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

1.8. Depreciation:

Depreciation/Amortisation charge is provided on fixed assets on written-down-value method in respect of fixed assets, in line with Schedule II of Companies Act, 2013.

1.9. Investments:

Investments, that are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments / non-current investments. Long-term investments are carried at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment. Current investments are carried at lower of cost and fair value determined for each category of investments. The premium paid on purchase of Debt Securities (public sector bonds) which are in the nature of long term investments are amortised over the period of its remaining life i.e., up to maturity.

1.10. Provision for Current and Deferred Tax:

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income tax Act, 1961. Deferred Tax resulting from timing difference between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a reasonable certainty that the deferred tax assets will be realised in future.

1.11. Provisions / Contingencies:

A provision is recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to Profit and Loss Account) based on best estimate of the amount required to settle the obligation at the Balance Sheet date.

Contingent Liabilities are not recognised but are disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.


SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2021


(Amount in ₹)

	Note No.	As at 31st March, 2021	As at 31st March, 2020
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2.1	6,50,00,000	6,50,00,000
Reserves and Surplus	2.2	52,76,19,289	49,63,35,876
		59,26,19,289	56,13,35,876
Non-Current Liabilities			
Other Long Term Liabilities	2.3	51,58,080	50,55,300
		51,58,080	50,55,300
Current Liabilities			
Other Current Liabilities	2.4	56,91,712	60,33,858
		56,91,712	60,33,858
TOTAL		60,34,69,081	57,24,25,034
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.5	4,62,16,616	4,86,49,076
		4,62,16,616	4,86,49,076
Non-Current Investments	2.6	40,00,03,255	40,00,03,255
Long-Term Loans and Advances	2.7	27,470	27,470
		44,62,47,341	44,86,79,801
Current Assets			
Current Investments	2.8	15,53,80,403	12,22,61,629
Tax Credit Receivable		30,578	32,086
Trade Receivables		1,54,468	5,11,144
Cash and Bank Balances	2.9	13,07,814	8,38,161
Short-Term Loans and Advances	2.10	2,45,554	19,943
Other Current Assets	2.11	1,02,923	82,270
		15,72,21,740	12,37,45,233
TOTAL		60,34,69,081	57,24,25,034
Significant Accounting Policies	1		
Accompanying notes are an integral part of the Financial Statements			

For G P Kapadia & Co
Chartered Accountants
Firm Registration No. 104768W


Govind G. Ladha
Partner
Membership No. 116512




Mansi Laheri
Company Secretary
Membership No 21561

For and on Behalf of the Board of Directors of
SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED
CIN-U67120MP1994PLC008447


G K. Tulsian
Director
DIN No 00017786


Pavan Kumar Jain
Director
DIN No 00703624

Mumbai
Date: 10th May, 2021

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(Amount in ₹)

Particulars	Note No.	Year Ended 31.03.2021	Year Ended 31.03.2020
REVENUE			
Revenue From Operations	3.1	3,03,04,045	2,33,59,017
Other Income	3.2	1,22,49,840	1,21,12,140
Total Revenue (I)		4,25,53,885	3,54,71,157
EXPENSES			
Finance Costs	3.3	-	1,01,84,018
Depreciation And Amortization Expense		24,32,460	25,60,476
Other Expenses	3.4	21,16,301	18,02,981
Total Expenses (II)		45,48,761	1,45,47,475
Profit Before Tax		3,80,05,124	2,09,23,682
Tax Expenses			
Current Tax		68,75,000	40,33,000
Provision for Tax of earlier year written back		(1,53,289)	6,504
Total Tax Expense		67,21,711	40,39,504
Profit For The Year		3,12,83,413	1,68,84,178
Earnings Per Equity Share (Face Value Rs 10 each)			
Basic (Rs.)		4.81	2.60
Diluted (Rs.)		4.81	2.60
Significant Accounting Policies	1		
Accompanying notes are an integral part of the Financial Statements			

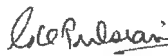
For G P Kapadia & Co
Chartered Accountants
Firm Registration No. 104768W

For and on Behalf of the Board of Directors of
SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED
CIN-U67120MP1994PLC008447


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Partner
Membership No. 116512




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G K. Tulsian
Director
DIN No 00017786


Pavan Kumar Jain
Director
DIN No 00703624

Mumbai
Date: 10th May, 2021

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021


	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Cash Flow from Operating Activities		
a. Profit before tax	3,80,05,124	2,09,23,682
<u>Adjustment for:</u>		
Profit on Sale of Investment	(2,56,40,067)	(1,13,18,769)
Depreciation and Amortisation	24,32,460	25,60,476
b. Operating profit before working capital changes	1,47,97,517	1,21,65,389
<u>Adjustment for:</u>		
(Purchase) / Sale of Investments	(74,78,707)	(81,50,337)
(Increase) / Decrease in Trade and other receivables	3,37,531	(4,69,549)
Increase / (Decrease) in Deposits	-	5,50,551
Increase / (Decrease) in Trade and Other Payables	(2,39,366)	5,34,814
c. Cash generated from Operations	74,16,975	46,30,868
Direct taxes paid (Net)	(69,47,322)	(39,44,081)
Net Cash from Operating Activities	4,69,653	6,86,787
B. Cash Flow from Investing Activities	-	-
C. Cash Flow from Financing Activities	-	-
D. Net increase/(decrease) in Cash & Cash equivalents	4,69,653	6,86,787
Cash & Cash equivalents at beginning of the year	8,38,161	1,51,374
Cash & Cash equivalents at end of the year	13,07,814	8,38,161
(Cash and cash equivalents represent Cash and Bank Balances)		

Notes:

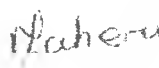
1. Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard - 3
2. Cash and Cash Equivalent represent Cash and Bank Balances
3. Previous year figures have been regrouped / recasted, wherever necessary

For G P Kapadia & Co
Chartered Accountants
Firm Registration No. 104768W

For and on Behalf of the Board of Directors of
SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED
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Mumbai
Date: 10th May, 2021

SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

		(Amount in `)	
		As at 31st March, 2021	As at 31st March, 2020
2.1. SHARE CAPITAL			
2.1.1 Authorised			
6,999,000	Equity Shares of Rs.10 each	6,99,90,000	6,99,90,000
100	15% Redeemable Cumulative Preference Shares of Rs.100 each	10,000	10,000
		7,00,00,000	7,00,00,000
2.1.2 Issued, Subscribed and Paid up			
6,500,000	Equity Shares of Rs.10 each fully paid (Previous Year 6,500,000 Equity Shares)	6,50,00,000	6,50,00,000
		6,50,00,000	6,50,00,000

2.1.3 The List of Shareholders holding more than 5% shares in the Equity Share Capital of the Company

		Number of Shares	
		As at 31st March, 2021	As at 31st March, 2020
Grasim Industries Limited (Holding Company) including nominees		65,00,000	65,00,000
% Holding		100%	100%
Total		65,00,000	65,00,000

2.2. RESERVES AND SURPLUS

Reserves and Surplus as on 31st March 2021

Particulars	General reserve	Special Reserve	Surplus as per Statement of Profit and Loss	Total
Opening Balance	23,20,00,000	9,23,41,405	17,19,94,471	49,63,35,876
Net profit/(Loss) for the period	-	-	3,12,83,413	3,12,83,413
Transfer from Statement of Profit and Loss to General Reserve and Special Reserve	-	62,56,683	(62,56,683)	-
Closing balance	23,20,00,000	9,85,98,088	19,70,21,201	52,76,19,289

Reserves and Surplus as on 31st March 2020

Particulars	General reserve	Special Reserve	Surplus as per Statement of Profit and Loss	Total
Opening Balance	23,20,00,000	8,89,64,569	15,84,87,129	47,94,51,698
Net profit/(Loss) for the period	-	-	1,68,84,178	1,68,84,178
Transfer from Statement of Profit and Loss to General Reserve and Special Reserve	-	33,76,836	(33,76,836)	-
Closing Balance	23,20,00,000	9,23,41,405	17,19,94,471	49,63,35,876



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

		(Amount in `)	
		As at 31st March, 2021	As at 31st March, 2020
2.3. OTHER LONG TERM LIABILITIES			
Security and Other Deposits		51,58,080	50,55,300
		51,58,080	50,55,300
2.4. OTHER CURRENT LIABILITIES			
Security and Other Deposits		50,20,851	51,23,631
Trade Payable		15,291	3,44,666
Other Payables (Including Statutory Dues, etc)		6,55,570	5,65,561
		56,91,712	60,33,858
2.7. LONG TERM LOANS AND ADVANCES			
(Unsecured, considered good unless otherwise stated)			
Security Deposits		27,470	27,470
		27,470	27,470
2.9. CASH AND BANK BALANCES			
Balance with Bank		13,07,814	8,38,161
		13,07,814	8,38,161
2.10. SHORT-TERM LOANS AND ADVANCES			
Unsecured (Considered Good, unless otherwise stated)			
Advance Tax (Net of Provision)		2,45,554	19,943
		2,45,554	19,943
2.11. OTHER CURRENT ASSETS			
Others		1,02,923	82,270
		1,02,923	82,270



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

2.5 FIXED ASSETS

(Amount in ₹)

	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01.04.2020	Additions/ (Deduction)	As at 31.03.2021	Upto 01.04.2020	For the Year	Upto 31.03.2021	As at 01.04.2020	As at 31.03.2021
TANGIBLE ASSETS								
Buildings*	10,65,79,575	-	10,65,79,575	5,79,30,499	24,32,460	6,03,62,959	4,86,49,076	4,62,16,616
<i>Previous Year</i>	10,65,79,575	-	10,65,79,575	5,53,70,023	25,60,476	5,79,30,499	5,12,09,552	4,86,49,076

* Buildings include an amount of Rs. 6,74,86,048 representing value of Rs. 5,50,88,048 of 11,194 Equity Shares (Face Value Rs 10 each) and amount of Rs. 1,23,98,000 of 1,23,980

0% Fully Convertible Debentures (Face Value Rs. 100 each) of Ahura Chemical Products Private Limited, entitling the Company the right of exclusive occupation and use of certain office premises.



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED				
NOTES FORMING PART OF FINANCIAL STATEMENTS			(Amount in ₹)	
	Face Value per share	Nos.	As at 31st March, 2021	As at 31st March, 2020
2.6.1 NON-CURRENT INVESTMENTS (Long Term, Fully Paid-up, At Cost)				
Other Investments				
Investments In Equity Instruments				
Aditya Birla Science and Technology Limited	10	250	2,500	2,500
Chennai Super Kings Cricket India Limited	10	5	364	364
IDFC First Bank Limited	10	5	390	390
Investments In Preference Shares				
7% Non Cumulative Non Convertible Redemable Pref Shares- Aditya Birla Health Services Limited	100	40,00,000	40,00,00,000	40,00,00,000
	30	260	40,00,03,254	40,00,03,254
Investment in Bonds / Debenture				
NTPC LIMITED - DEBENTURE			1	1
			1	1
2.6.2 Aggregate Book Value of:				
Quoted Investments			391	391
Unquoted Investments			40,00,02,864	40,00,02,864
			40,00,03,255	40,00,03,255
2.6.3 Aggregate Market Value of Quoted Investments			391	391
2.8.1. CURRENT INVESTMENTS (At Cost or Fair Value, whichever is less)				
Other Investments				
Investments In Mutual Funds				
	Number of Units			
	Current Year	Previous Year		
Aditya Birla Sunlife FTP - Series OH - Direct - Growth	-	60,00,000	-	6,00,00,000
Aditya Birla Sun Life Corporate Bond Fund - Dir - Growth	-	2,62,192	-	2,06,14,657
Aditya Birla Sun Life Income Fund - Dir - Growth	-	2,14,636	-	2,00,00,000
Aditya Birla Sunlife Saving Fund - Direct Plan - G	-	54,357	-	2,16,46,973
Aditya Birla Sunlife Floating Rate Fund - Direct Plan - G	5,77,242	-	15,53,80,403	-
	5,77,242	65,31,184	15,53,80,403	12,22,61,629
2.8.2 Aggregate Book Value of Quoted Investments			15,53,80,403	12,22,61,629
2.8.3 Aggregate Market Value of Quoted Investments			15,62,49,770	13,75,30,997



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

	Year Ended 31.03.2021	Year Ended 31.03.2020
3.1. REVENUE FROM OPERATIONS		
Interest on ICD	46,63,973	1,20,40,241
Dividend Income from :		
Non Current Equity Shares	5	6
Profit on Sale of :		
Current Investments	1,09,52,667	17,80,725
Non Current Investment	1,46,87,400	95,38,045
	3,03,04,045	2,33,59,017
3.2. OTHER INCOME		
Rent Received	1,22,49,840	1,21,12,140
	1,22,49,840	1,21,12,140
3.3. FINANCE COSTS		
Interest on Income Tax	-	67,548
Interest on Inter Corporate Deposit	-	1,01,16,470
	-	1,01,84,018
3.4. OTHER EXPENSES		
Rates and Taxes	49,252	50,368
Property Tax	22,977	23,977
Repairs & Maintenance	38,799	58,494
Legal and Professional Charges (Including Audit Fees)	1,49,701	1,96,353
Donation - Others	18,00,000	14,00,000
Miscellaneous Expenses	55,573	73,789
	21,16,302	18,02,981
Auditors remunerations (excluding GST) charged to statement of Profit and Loss		
Payment to Statutory Auditor		
-Audit Fee	50,000	30,000
-Tax Audit	-	20,000
	50,000	50,000



SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

4. OTHER DISCLOSURES

4.1. As per Section 135 of the Companies Act, 2013, 2% of average profit of last three years is Rs. 1,010,862 (Previous Year : Rs. 1,333,851). The Company has incurred expenses amounting to Rs. 1,800,000 on CSR initiatives in current year (Previous Year : Rs. 14,00,000).

4.2 As per Accounting Standard 18 issued by the Institute of Chartered Accountants of India, the related parties are as under:

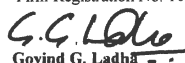
- Holding Company - Grasim Industries Ltd.
- Fellow subsidiaries with whom transactions were held during the period - UltraTech Cement Limited
- Other related parties in which Directors of Holding Company are interested - Aditya Birla Management Corporation Private Limited (w.e.f. 01st January 2019)
- Details of Related Party Transactions:

(Amount in `)

Sr. No.	Nature of transactions	Transactions During FY 21	Transactions During FY 20	Outstanding as on 31st March 21		Outstanding as on 31st March 20	
				Liability	Asset	Liability	Asset
1	Rent for Offices, Garages leased to Ultra Tech Cement Limited (Net of GST)	95,69,520	95,69,520	46,608	Nil	Nil	1,73,666
2	Reimbursement of Expenses Recovered from Ultra Tech Cement Limited (Net of GST)	11,05,228	12,30,205	Nil	Nil	Nil	Nil
3	Interest free deposit received from Ultra Tech Cement Limited as per Lease agreement	Nil	Nil	36,74,340	Nil	36,74,340	Nil
4	Rent for Offices, Garages leased to Grasim Industries Limited-Epoxy Division. (Net of GST)	12,27,600	6,13,800	Nil	Nil	Nil	1,53,617
5	Reimbursement of Expenses Recovered-Grasim Industries Limited Epoxy Division (Net of GST)	1,35,575	67,328	Nil	Nil	Nil	Nil
6	Interest free deposit received from Grasim Industries Limited Epoxy Division as per Lease agreement	Nil	9,20,700	9,20,700	Nil	9,20,700	Nil
7	Rent for Offices, Garages leased to Aditya Birla Management Corporation Private Limited (Net of GST)	7,02,000	8,42,400	Nil	1,09,514	Nil	65,089
8	Reimbursement of Expenses Recovered from Aditya Birla Management Corporation Private Limited (Net of GST)	83,666	1,10,305	Nil	Nil	Nil	Nil
9	Interest free deposit received from Aditya Birla Management Corporation Private Limited as per Lease agreement	Nil	Nil	41,34,600	Nil	41,34,600	Nil
10	ICD Received from Grasim Industries Limited	Nil	80,00,00,000	Nil	Nil	Nil	Nil
11	ICD Repaid to Grasim Industries Limited	Nil	80,00,00,000	Nil	Nil	Nil	Nil
12	Interest paid on ICD to Grasim Industries Limited	Nil	1,01,16,164	Nil	Nil	Nil	Nil
13	Temporary Fund Received from Grasim Industries Limited	25,65,00,000	Nil	Nil	Nil	Nil	Nil
14	Temporary Fund Received Repaid back to Grasim Industries Limited	25,65,00,000	Nil	Nil	Nil	Nil	Nil
15	Rent for Offices, Garages leased to Grasim Industries Limited Insulator Rishra Division	Nil	3,35,700	Nil	Nil	Nil	Nil
16	Interest free deposit received from Grasim Industries Limited Insulator Rishra Division as per Lease agreement	Nil	Nil	8,86,251	Nil	8,86,251	Nil

4.3 Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with the current year classification / disclosure.

For G P Kapadia & Co
Chartered Accountants
Firm Registration No. 104768W


Govind G. Ladhani

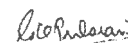
Partner
Membership No. 116512
Mumbai


Date: 10th May, 2021



Mansi Laheri
Company Secretary
Membership No 21561

For and on Behalf of the Board of Directors of
SAMRUDDHI SWASTIK TRADING AND INVESTMENTS LIMITED
CIN-U67120MP1994PLC008447


G K. Tulsian
Director
DIN No 00017786


Pavan Kumar Jain
Director
DIN No 00703624



Grasim Industries Limited

Registered Office:

Birlagram, Nagda - 456 331,
Madhya Pradesh

Corporate Office:

Aditya Birla Centre,
'A' Wing, 2nd Floor,
S. K. Ahire Marg, Worli,
Mumbai - 400 030, Maharashtra

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