ADITYA BIRLA
HINDALCO
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SUBSIDIARY ACCOUNTS 2018-19

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HINDALCO INDUSTRIES LIMITED

Hindalco Subsidiary - 2018-19

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G. BASU & CO.
CHARTERED ACCOUNTANTS

BASU HOUSE
1ST FLOOR
3, CHOWRINGHEE APPROACH
KOLKATA - 700 072

INDEPENDENT AUDITOR'S REPORT

To the Members of ***Minerals and Minerals Limited***

Report on the Audit of the Financial Statements

Opinion

We have audited the accompany IND AS Standalone financial statements of ***Minerals and Minerals Ltd.*** ("the Company") a body corporate incorporated in India which comprise the balance sheet as at ***31st March 2019,*** and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 financial statements give the information required by 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, 2019***, and profit 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 Indian Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Indian Companies Act, 2013 and the Rules there under, 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 most significant 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.

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Responsibilities of Management's and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Indian Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 Indian 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 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.

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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 Indian Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

G. BASU & CO. CHARTERED ACCOUNTANTS KOLKATA

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 Companies Act, 2013, 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 As required by Section 143(3) of Indian 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of Indian Act, read with Rule 7 of the Indian Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on ***31st March, 2019*** taken on record by the Board of Directors, none of the directors is disqualified as on ***31st March, 2019*** from being appointed as a director.

(f) With respect to the adequacy of the internal financial controls system over financial reporting of the Company and the operating effectiveness of such control as at ***March 31, 2019***, refer to our separate report in **Annexure "B"** attached with this Report and

(g) 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:

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Indian 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28C to 28J of the financial statements;

ii. The company did not have any long term contract including derivate contracts for which there were any material foreseeable losses.

iii. The company does not have any unpaid dividend so as to be transferred to "Investor's Education & Protection Fund".

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

GGuha

(G. GUHA)
Partner
(M. No.-054702)

Place : Kolkata
Date : 22/04/2019

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Annexure "A" referred in paragraph 1 of the Independent Auditors Report of even date to the Members of MINERALS & MINERALS LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us by the management of the Company, during course of our audit, we report that:

1. (a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b). The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

   (c). The title deeds of the immovable properties as disclosed in Investment Property to the Standalone IND AS financial statements are held in the name of the Company.

2. There were no stock of goods during the year with the Company; hence, comments on its physical verification and Material discrepancies are not required and accordingly the provisions 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 the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and accordingly, provisions of clause 3 (iii), (iii) (a), (iii) (b) &(iii) (c) of the order, are not applicable to the Company.

4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee or security where provisions of section 185 and 186 of the Companies Act, 2013 are applicable, hence, provision of clause 3(iv) of the order, is not applicable to the Company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed thereunder apply.

6. According to the information, explanations given to us and the books & records examined by us, the Company is not carrying out any manufacturing activity during the year therefore maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company.

7. a). According to the books and records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, vat, cess and any other statutory dues to the extent applicable to it. No Statutory Liabilities has been lying outstanding for more than 6 months from their respective duel date.

   b). (i) Income Tax amounting to Rs. 19.28 lacs (for AY: 2013-14) has not been deposited as an appeal is lying pending with CIT(Appeal), Ranchi against demand raised by Income Tax Authority.

   (ii) Royalty amounting to Rs.42.86 lakh has not been deposited as an appeal is lying pending with certificate officer (Mines). South Chota Nagpur, Ranchi against demand raised by Assistant Mining Officer, Lohardaga.

BASU & CO. KOLKATA CHARTERED ACCOUNTANTS

(iii) Commercial tax amounting to Rs.1,50,56,433/- has not been paid against demands raised by Deputy Commissioner of Commercial for financial years 2009-10, 2010-11 and 2011-12 appeals in respect of those year are pending with Commissioner of Commercial Tax.

8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year as well as in the previous year and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the Companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the Company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the Company has not carried out any transactions with the related parties as defined in section 177and 188 of the Companies Act, 2013. However, the details of related party transactions have been disclosed in the Standalone IND AS financial statements as required under Applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act 1934.

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

Gluha

(G. GUHA)
Partner
(M. No.-054702)

Place : Kolkata
Date : 22/04/2019

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Annexure "B" referred in paragraph 2 (f) of the Independent Auditors Report of even date to the Members of MINERALS & MINERALS LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

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

We have audited the internal financial controls over financial reporting of **Minerals & Minerals LIMITED** ("the Company) as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

Auditor's 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, issued by ICAI and deemed *to* be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 judgment, 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 that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

G. Guha
(G. GUHA)
Partner
(M. No.-054702)

Place : **Kolkata**
Date : **22.04.2019**

MINERALS & MINERALS LTD
Balance Sheet as at Mar 31, 2019

Particulars	Note No.	As at Mar 31, 2019	As at Mar 31, 2018
			Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	2,89,88,381	2,87,42,296
Capital Work-in-Progress	1(i)	1,14,84,279	-
Intangible Assets	2	4,70,20,589	4,85,79,676
Financial Assets			
(i) Others Financial Assets	3	76,223	76,223
Total Non-Current Assets		**8,75,69,472**	**7,73,98,194**
Current Assets			
Financial Assets			
(ii) Cash and Cash Equivalents	5	8,52,577	1,41,41,185
Current Tax Asstets (Net of Provision)		3,28,983	17,18,228
Other Current Assets	6	13,24,12,960	10,64,39,373
Total Current Assets		**13,35,94,520**	**12,22,98,786**
TOTAL ASSETS		**22,11,63,992**	**19,96,96,981**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	5,00,000	5,00,000
Other Equity	8	8,30,01,712	6,96,49,029
TOTAL EQUITY		**8,35,01,712**	**7,01,49,029**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Deferred Tax Liability (Net)	4	65,76,895	62,05,517
Total Non-Current Liabilities		**65,76,895**	**62,05,517**
Current Liabilities			
Financial Liabilities			
Trade Payables	9	4,26,93,640	2,27,57,154
Other Financial Liabilities	10	8,42,636	17,33,888
Other Current Liabilities	11	8,45,50,579	7,82,53,945
Current Tax Liabilities (Net of Advance Tax)	12	29,98,530	2,05,97,448
Total Current Liabilities		**13,10,85,385**	**12,33,42,434**
TOTAL LIABILITIES		**13,76,62,280**	**12,95,47,951**
TOTAL EQUITY AND LIABILITIES		**22,11,63,992**	**19,96,96,981**
Significant Accounting Policies:	17-19		
Notes on Financial Statements:	20-31		

This is the Balance Sheet referred to in our report of even date.

For **G. BASU & CO.**
Firm Registration Number:
Chartered Accountants

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

Partner
Membership No.

(G. GUHA)
Partner
(M. No.-054702)

Place: Mumbai
Date : April 22, 2019

For and on behalf of the Board of
Minerals & Minerals Limited

~~Amit Sengupta~~
Director
DIN-06496667
Date : April 22, 2019

Bijesh Kumar Jha
Director
DIN-08048099
Date : April 22, 2019

MINERALS & MINERALS LTD
Statement of Profit and Loss for the year ended March 31, 2019

Rs.

Particulars	Note No.	Year Ended Mar 31, 2019	Year Ended Mar 31, 2018
REVENUES			
Revenue from Operations	13 (i)	44,47,73,688	43,20,38,925
Other Income	13 (ii)	50,000	12,06,374
Total Income		**44,48,23,688**	**43,32,45,299**
EXPENSES			
Finance Cost	14	57,803	54,804
Depreciation and Amortization	15	28,06,148	29,88,427
Other Expense	16	42,29,46,077	35,81,89,497
Total Expenses		**42,58,10,028**	**36,12,32,728**
Profit/(Loss) Before Exceptional item and Tax		1,90,13,661	7,20,12,571
Profit / Loss before Taxation		1,90,13,661	7,20,12,571
Tax Expense:		-	-
(i) Current Tax		52,89,600	2,13,17,602
(ii) Earlier Income Tax Provision		-	(54,03,094)
(iii) Deferred Tax		3,71,378	30,08,281
Profit after Taxation		**1,33,52,683**	**5,30,89,782**
Other Comprehensive Income / (Loss)			
Items that may be reclassified to profit or loss			
Items that will not be reclassified to profit or loss			
-Re-measurement gain/(loss) on defined benefit obligation		-	-
Other Comprehensive Income		-	-
		-	-
Total Comprehensive Income		**1,33,52,683**	**5,30,89,782**
Profit/ (Loss) per equity share			
[Nominal Value per share : Rs. 10]			
-Basic and Diluted in Rupees		267	1,062

Significant Accounting Policies and Notes on Account 17-31

The accompanying notes are integral part of the Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For G. BASU & CO.
Firm Registration Number:
Chartered Accountants

For and on behalf of the Board of
Minerals & Minerals Limited

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

Partner
Membership No.

(G. GUHA)
Partner
(M. No.-054702)

Place: Mumbai
Date : April 22, 2019

Amit Sengupta
Director
DIN-06496667

Date : April 22, 2019

Bijesh Kumar Jha
Director
DIN-08048099

Date : April 22, 2019

MINERALS & MINERALS LTD

Cash Flow Statement for the year ended March 31, 2019

	Particulars	Year Ended Mar 31, 2019	Year Ended Mar 31, 2018
			Rs.
A.	**Cash Flow generated / (used) in Operating Activities**		
	profit /(Loss) before tax	1,90,13,661	7,20,12,572
	Adjustment for:		
	Employee Stock Option Scheme		
	Depreciation and Amortization	28,06,148	29,88,427
	Assets Written off	-	-
	Interest Income		
	Loss/ (Gain) on Tangible Assets Sold / Discarded		
	Gain on sale of current Investments (Net)		
	Finance Costs	57,803	54,804
	Adjustment of expenses against CWIP	-	(4,00,000)
	Operating Profit before working capital changes	**2,18,77,611**	**7,46,55,803**
	Adjustment for changes in Working Capital :		
	- (Decrease) / Increase in Trade Payables	2,53,41,869	(88,60,351)
	- (Decrease)/ Increase in Provisions		
	- Increase in Other Financial Liabilities		
	- Increase in Other Current Liabilities		
	- Decrease in Trade Receivables	(2,84,66,308)	
	- Decrease in Inventories		
	- (Increase)/ Decrease in Loans		
	- Decrease/ (Increase) in Advances to related parties		
	- (Increase)/Decrease in Other Assets	24,92,721	(6,20,53,544)
	Cash generated from Operations	**2,12,45,893**	**37,41,908**
	Direct Taxes Paid (Net)	(2,14,99,273)	10,27,076
	Net Cash generated from Operating Activities	**(2,53,380)**	**47,68,984**
B.	**Cash Flow used in Investing Activities**		
	Payments to acquire property, plant and equipment	(1,29,77,425)	(1,95,83,201)
	Proceeds from disposal of property, plant and equipment		
	Interest Received		
	Net Cash used in Investing Activities	**(1,29,77,425)**	**(1,95,83,201)**
C.	**Cash Flow used in Financing Activities**		
	Proceeds from issue of equity share capital		
	Repayment of Term Loan to Banks		
	Proceeds of Term Loan from Banks		
	Payment of Finance Lease Obligations		
	Capital Contribution from Holding Company		
	Finance Costs	(57,803)	(54,804)
	Net Cash used in Financing Activities	**(57,803)**	**(54,804)**
	Net Increase /decrease in Cash and Cash equivalents	**(1,32,88,607)**	**(1,48,69,021)**
	Cash and Cash Equivalents at the beginning of the year	1,41,41,185	2,90,10,206
	Cash and Cash Equivalents at the end of the year	**8,52,577**	**1,41,41,185**
	** Amount is below the rounding off norm adopted by the Company*		

Cash and Cash Equivalents comprise:	**As at Mar 31, 2019**	**As at Mar 31, 2018**
Cash on hand	6,663	1,83,418
Balances with Banks	8,45,914	1,39,57,766
-In current accounts	-	-
	8,52,577	**1,41,41,185**

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

For G. BASU & CO.
Firm Registration Number:
Chartered Accountants

(G. GUHA)
Partner
(M. No.-054702)

Partner
Membership No.

Place: Mumbai
Date : April 22, 2019

For and on behalf of the Board of
Minerals & Minerals Limited

Amit Sengupta
Director
DIN-06496667

Bijesh Kumar Jha
Director
DIN-08048099

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MINERALS & MINERALS LTD

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Rs.
Balance at the April 01, 2018	5,00,000.00
Changes in the Equity Share Capital during the year on account of shares issued	-
Balance at the Mar 31, 2019	5,00,000.00

B. Other Equity

Rs.

Particulars	Retained Earnings	Total
Balance as at April 01, 2018	**6,96,49,029**	**6,96,49,029**
(a) Profit for the year	1,33,52,683	1,33,52,683
(b) Other comprehensive income for the year	-	-
Total comprehensive Income for the year (a+b)	**1,33,52,683**	**1,33,52,683**
Additional Capital Contribution		
Share based payment expenses	-	-
Re-payment towards Share based payment expenses	-	-
Balance as at Mar 31, 2019	**8,30,01,712**	**8,30,01,712**

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital

	Rs.
Balance at the April 01, 2017	5,00,000.00
Changes in the Equity Share Capital during the year on account of shares issued	
Balance at the March 31, 2018	5,00,000.00

B. Other Equity

Rs.

Particulars	Retained Earnings	Total
Balance as at April 01, 2017	**1,65,59,247**	**1,65,59,247**
(a) Profit for the year	5,30,89,782	5,30,89,782
(b) Other comprehensive Income for the year		-
Total comprehensive Income for the year (a+b)	**5,30,89,782**	**5,30,89,782**
Additional Capital Contribution	-	-
Share based payment expenses	-	-
Re-payment towards Share based payment expenses	-	-
Balance as at March 31, 2018	**6,96,49,029**	**6,96,49,029**

For G. BASU & CO.
Firm Registration Number:
Chartered Accountants

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

Partner
Membership No.

(G. GUHA)
Partner
(M. No.-054702)

Place: Mumbai
Date : April 22, 2019

For and on behalf of the Board of Directors
Minerals & Minerals Limited

Amit Sengupta
Director
DIN-06496667

Date : April 22, 2019

Bijesh Kumar Jha
Director
DIN-08048099

Date : April 22, 2019

MINERALS & MINERALS LTD

Notes annexed to and forming part of the Financial Statements

1 Property, Plant and Equipment

Tangible Assets

Rs.

Assets	Useful lives in Years	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount	
		As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at Mar 31, 2019	As at April 01, 2018	For the year	Disposal/ Adjustments During the year	As at Mar 31, 2019	As at Mar 31, 2019	As at March 31, 2018
Freehold land		4,367	-	-	4,367	-	-	-	-	4,367	4,367
Leasehold land improvements	90-99	2,97,58,894	-	-	2,97,58,894	39,92,660	5,47,576	-	45,40,236	2,52,18,658	2,57,66,234
Buildings	3-60	12,70,793	-	-	12,70,793	6,88,831	19,831	-	7,08,662	5,62,131	5,81,962
Plant and Equipment	3-40	64,51,418	6,45,000	-	70,96,418	57,51,199	1,37,650	-	58,88,849	12,07,569	7,00,219
Vehicles	8-10	11,37,437	-	-	11,37,437	5,81,811	1,24,713	-	7,06,524	4,30,913	5,55,626
Furniture and Fixture	3-10	4,64,541	1,23,354	-	5,87,895	2,35,704	37,503	-	2,73,207	3,14,688	2,28,837
Office Equipment	3-8	3,71,409	64,386	-	4,35,795	1,49,858	2,26,516	-	3,76,374	59,421	2,21,551
Railway Siding		6,61,306	-	-	6,61,306	6,28,240	-	-	6,28,240	33,065	33,065
Electrical Installation		7,98,891	6,43,000	-	14,41,891	1,48,793	1,35,865	-	2,84,658	11,57,233	6,50,098
Tools & Tackles		6,750	-	-	6,750	6,412	-	-	6,412	337	337
Total		**4,09,25,805**	**14,75,739**	-	**4,24,01,544**	**1,21,83,509**	**12,29,654**	-	**1,34,13,163**	**2,89,88,381**	**2,87,42,296**

Rs.

Assets	Useful lives in Years	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount	
		As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at April 01, 2017	For the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Freehold land		4,367	-	-	4,367	-	-	-	-	4,367	4,367
Leasehold land improvements	90-99	2,91,24,215	6,34,679	-	2,97,58,894	**33,52,421**	6,40,239	-	39,92,660	2,57,66,234	2,57,71,794
Buildings	3-60	12,70,793	-	-	12,70,793	**6,53,886**	34,945	-	6,88,831	5,81,962	6,16,907
Plant and Equipment	3-40	62,29,786	2,21,632	-	64,51,418	**53,77,795**	3,73,404	-	57,51,199	7,00,219	8,51,991
Vehicles	8-10	11,37,437	-	-	11,37,437	**3,20,484**	2,61,327	-	5,81,811	5,55,626	8,16,953
Furniture and Fixture	3-10	4,13,221	51,320	-	4,64,541	**1,87,585**	48,119	-	2,35,704	2,28,837	2,25,636
Office Equipment	3-8	99,306	2,72,103	-	3,71,409	**89,533**	60,325	-	1,49,858	2,21,551	9,773
Railway Siding		6,61,306	-	-	6,61,306	**6,28,240**	-	-	6,28,240	33,065	33,065
Electrical Installation		7,98,891	-	-	7,98,891	**51,352**	97,441	-	1,48,793	6,50,098	7,47,539
Tools & Tackles		6,750	-	-	6,750	**6,412**	-	-	6,412	337	337
Total		**3,97,46,071**	**11,79,734**	-	**4,09,25,805**	**1,06,67,709**	**15,15,800**	-	**1,21,83,509**	**2,87,42,296**	**2,90,78,362**

G. BASU & CO. * CHARTERED ACCOUNTANTS * KOLKATA

MINERALS & MINERALS LTD
Notes annexed to and forming part of the Financial Statements

2 Intangible Assets

Rs.

Assets	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount	
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at Mar 31, 2019	As at April 01, 2018	For the year	Disposal/ Adjustments During the year	As at Mar 31, 2019	As at Mar 31, 2019	As at March 31, 2018
Computer Software	41,206	17,407	-	58,613	11,454	32,156	-	43,610	15,002	29,752
Mining Lease and Development Rights	5,18,57,839	-	-	5,18,57,839	33,07,915	15,44,338	-	48,52,253	4,70,05,586	4,85,49,924
Total	**5,18,99,045**	**17,407**	-	**5,19,16,452**	**33,19,369**	**15,76,494**	-	**48,95,863**	**4,70,20,589**	**4,85,79,676**
Total (1+2)	**9,28,24,850**	**14,93,146**	-	**9,43,17,996**	**1,55,02,878**	**28,06,148**	-	**1,83,09,026**	**7,60,08,970**	**7,73,21,972**

Discription	Gross Carrying Amount				Depreciation / Amortisation				Net Carrying Amount	
	As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at April 01, 2017	For the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Computer Software	-	41,206	-	41,206	-	11,454	-	11,454	29,752	-
Mining Lease and Development Rights	3,30,21,826	1,88,36,013	-	5,18,57,839	18,46,742	14,61,173	-	33,07,915	4,85,49,924	3,11,75,084
Total	**3,30,21,826**	**1,88,77,219**	-	**5,18,99,045**	**18,46,742**	**14,72,627**	-	**33,19,369**	**4,85,79,676**	**3,11,75,084**

a. Lease against Land and Mining Rights has been sanctioned by the appropriate authority for a period of 50 years, 42 years, 41 years & 13 years. Amortisation is calculated on the basis of lease period including calculation of fraction amount.

b. Mining lease and development rights represent contractual entitlements to certain tones of bauxite. The Mining lease and development rights are amortized using straight line method over the balance lease term.

G. BASU & CO. KOLKATA CHARTERED ACCOUNTANTS

MINERALS & MINERALS LTD

Notes annexed to and forming part of the Financial Statements

1(I) Capital Work-in-Progress

	As at Mar 31, 2019	As at Mar 31, 2018
		Rs.
Carrying amount at the beginning of the year	-	11,52,000
Addition during the year	1,14,84,279	1,83,18,692
Capitalised during the year	-	1,94,70,692
Carrying amount at the end of the year	1,14,84,279	-

3 Other Financial Assets

Other Financial Assets : Non-Current

	As at Mar 31, 2019	As at Mar 31, 2018
		Rs.
Security Deposits (Rlys)	76,223	76,223
	76,223	**76,223**

4 Deferred Tax Assets

	As at Mar 31, 2019	As at Mar 31, 2018
		Rs.
Deferred Tax Liabilities		
Depreciation (Net)	65,76,895	62,05,517
Total Deferred Tax Liability	**65,76,895**	**62,05,517**

6 Other Current Assets

Advances to Suppliers	37,86,693	94,02,032
Advances to Land Owners	3,02,83,912	2,74,33,943
Prepaid Expenses	3,90,000	1,17,351
Balance with Government Authorities	9,79,52,354	6,94,86,047
	13,24,12,960	**10,64,39,373**

5 Cash and Cash Equivalents

	As at Mar 31, 2019	As at Mar 31, 2018
		Rs.
Cash on hand	6,663	1,83,418
Balances with Banks in Current Account	8,45,914	1,39,57,766
	8,52,577	**1,41,41,185**

7 Equity Share Capital

	As at Mar 31, 2019	As at Mar 31, 2018
		Rs.
Authorized Share Capital		
50000 (As at Mar 31, 2019 : 50000; As at April 01, 2018: 50000) equity shares of Rs. 10 each	5,00,000	5,00,000
	5,00,000	**5,00,000**
Issued, Subscribed and Paid up Share Capital		
50000 (As at Mar 31, 2019 : 50000 As at April 01,2018 : 50000) equity shares of Rs. 10 each fully paid up	5,00,000	5,00,000
	5,00,000	**5,00,000**

G. BASU & CO. CHARTERED ACCOUNTANTS KOLKATA

MINERALS & MINERALS LTD
Notes annexed to and forming part of the Financial Statements

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting Qtr

	As at Mar 31, 2019		As at March 31, 2018	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	50000 @10.00	5,00,000	50000 @10.00	5,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	50000 @10.00	5,00,000	50000 @10.00	5,00,000

b. Terms/ rights attached to equity shares:-

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share.

c. Details of shareholders more than 5% of the aggregate shares in the Company and shares held by Holding Company:-

Entire issued, subscribed and paid up equity shares are held by Hindalco Industries Limited, the Company, and its nominees.

8 Other Equity

	As at Mar 31, 2019	Rs. As at Mar 31, 2018
Retained Earnings / (Accumulated Deficit) [Refer note 'a' below']	8,30,01,712	6,96,49,029
	8,30,01,712	**6,96,49,029**

a. Retained Earnings / (Accumulated Deficit)

	As at Mar 31, 2019	As at Mar 31, 2018
Reserves & Surplus		
Opening Balance	6,96,49,029	1,65,59,247
Net Profit/(Loss) for the year	1,33,52,683	5,30,89,782
Items of Other comprehensive Income recognised in		
-Re-measurement gain/(loss) on defined benefit obligation	-	-
Closing Balance	**8,30,01,712**	**6,96,49,029**

9 Trade Payable

	As at Mar 31, 2019	As at Mar 31, 2018
Creditor for Goods and Services	4,26,93,640	2,27,57,154
	4,26,93,640	**2,27,57,154**

10 Other Financial Liabilities

	As at Mar 31, 2019	As at Mar 31, 2018
Security Deposit from Contractors	2,58,458	3,96,458
Others Payable	5,84,178	13,37,430
	8,42,636.00	**17,33,888.00**

11 Other Current Liabilities

	As at Mar 31, 2019	As at Mar 31, 2018
Advance received from Holding Company	8,40,58,185	7,28,87,911
Statutory Dues Payable	4,92,394	53,66,034
	8,45,50,579	**7,82,53,945**

	As at Mar 31, 2019	As at Mar 31, 2018
12 Current Tax Liabilities (Net)		
Provision for Income Tax	29,98,530	2,05,97,448
	29,98,530	**2,05,97,448**

G. BASU & CO. * CHARTERED ACCOUNTANTS * KOLKATA

MINERALS & MINERALS LTD
Notes annexed to and forming part of the Financial Statements

13 i) Revenue from Operations

	Year Ended	
	Mar 31, 2019	**Mar 31, 2018**
Sale of Products	44,47,73,688	43,20,38,925
	44,47,73,688	**43,20,38,925**

II) Other Income

	Mar 31, 2019	**Mar 31, 2018**
Interest on Income Tax Refund	-	8,06,374
Excess Provision against other Liabilities written back	50,000	4,00,000
	50,000	**12,06,374**

14 Finance Cost

	Year Ended	
	Mar 31, 2019	**Mar 31, 2018**
Bank Charges	57,803	54,804
	57,803	**54,804**

15 Depreciation and Amortization

	Mar 31, 2019	**Mar 31, 2018**
Depreciation on Property, Plant and Equipment (Tengible)	12,29,654	15,15,800
Amortization on Intangible Assets	15,76,494	14,72,627
	28,06,148	29,88,427

16 Other Expense

	Year Ended	
	Mar 31, 2019	**Mar 31, 2018**
Mining Expenses	27,90,58,506	23,48,19,215
Royalty	9,14,61,634	7,74,75,669
NMET/ DMF/MF	2,97,32,327	2,89,52,478
	40,02,52,467	34,12,47,362
Consumption of Stores and Spares	4,672	13,935
Repair and Maintenance-Others	24,48,836	55,13,523
Rates and Taxes	91,614	1,15,792
Plot Rent & staff Mess rent	1,80,000	1,94,850
Insurance charges	14,379	11,251
Auditors Remunerations (Refer note 'a' below)	1,42,000	65,449
Printing & Stationery expenses	1,58,860	1,98,656
Legal, Professional and Consultancy Fees	35,69,551	17,44,020
Travelling and conveyance	11,84,084	10,72,915
Expenditure on Corporate social responsibility activities	20,95,251	19,45,725
Exploration Expenses	-	77,290
Dead Rent	70,477	3,57,677
Surface rent and Cess	-	5,522
Mines Electricity and Lighting Exp	1,72,158	1,02,509
Staff Welfare Exp	2,82,524	2,37,489
Environmental Exp	4,35,050	7,40,960
Interest on Income Tax	12,62,220	-
Interest on GST	2,000	-
Land Compensation Expenses	39,03,391	16,36,252
Security Expenses	29,85,132	21,53,704
Miscellaneous Expenses	36,91,411	7,54,615
	42,29,46,077	**35,81,89,497**

a. Auditors Remunerations:

Statutory Auditors		
Audit fees	1,00,000	65,449
Tax Audit fees	17,000	
GST Audit fees	25,000	
	1,42,000	65,449

G. BASU & CO. CHARTERED ACCOUNTANTS KOLKATA

MINERALS & MINERALS LTD

SIGNIFIICANT ACCOUNTING POLICIES

17. Nature of operations

Minerals & Minerals Limited is a 100% subsidiary of Hindalco Industries Limited and is engaged in the Business of Mining and Trading of Bauxite.

Significant Accounting Policies

a. The accounts have been prepared in accordance with the historical cost convention on an accrual basis keeping in mind the relevant Indian Accounting Standards, where applicable and in accordance with the generally accepted accounting principles in India, the applicable mandatory accounting Standards as per stipulations contained in Schedule 3 (revised) as applicable under section 133 of the Co.'s Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The same accounting policies and method have been followed in interim financial statements as compared with the financial statement prepared at the end of the immediately preceding financial year.

b. Use of Estimates:

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Fixed Assets:

(i) Tangible Assets are stated at cost less accumulated depreciation and impairment if any.

(ii) Intangible Assets are stated at cost less accumulated amortization. Cost includes any directly attributable expenditure on making the assets ready for its intended use.

d. Depreciation and Amortization:

(i) Depreciation has been provided on straight line method over the estimated useful life of the assets.

G. BASU & CO. ★ KOLKATA ★ CHARTERED ACCOUNTANTS

(ii) Mining rights and leasehold land are amortized over the period of lease on straight line basis. Company does not take-up any exploration activity by itself and hence IND AS106 not applicable. Such exploration data purchased from zoological survey of India.

e. Inventories:

Total Production quantity is dispatched, hence no quantity at mines during current financial year.

f. Sales revenue of the year is based on transfer price structured on the basis of cost of production prevailing in the beginning of the year mutually agreed between the company and the transferee holding company.

g. Recognition of Income and Expenditure :

Income & expenditure are recognized on accrual basis.

h. Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax consideration of prudence, on timing difference, being the difference between taxable income and liabilities and assets are recognized at substantially enacted tax rates, subject to the accounting income that originate in one period and are capable of reversal in one or more.

i. Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company is a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

G. BASU & CO. KOLKATA CHARTERED ACCOUNTANTS

18. Financial Risk Management

The company is exposed to certain market risks as part of our business operations, including risks from changes in commodity prices (primarily Metal Bulletin Alumina prices, coal prices and furnace oil prices), local market premiums, foreign currency exchange rates and interest rates that could impact our results of operations and financial condition. The company manage the exposure to these and other market risks through regular operating and financing activities and derivative financial instruments. The Company uses derivative financial instruments as risk management tools only, and not for speculative purposes. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The credit levels are reviewed to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

The decision of whether and when to execute derivative instruments, along with the duration of the instrument, can vary from period to period depending on market conditions and the relative costs of the instruments. The duration is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

A. Market Risk

Bauxite

This business is vertically integrated. The main raw material viz. bauxite (mined from own mines) and other purchased raw materials do not have any linkage with the output price which is based on Alumina Metal Bulletin prices. When the prices of input(s) and output(s) do not follow the above condition, then risk management attempts to use derivatives so as to protect the margins from adverse movements in prices on either side, i.e. from a rise in input cost or from a fall in output price.

19. Foreign Currency Exchange Risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on our operating results. In addition to the foreign exchange flow from exports, the commodity prices in the domestic market are derived based on the landed cost of imports in India where LME prices and USD/INR exchange rate are the main factors. In case of conversion business, the objective is to match the exchange rate of outflows and related inflows through derivative financial instruments. With respect to Alumina business where costs are predominantly in INR, the strengthening of INR against USD adversely affects the profitability of the business and benefits when INR depreciates against USD. The company enters into various foreign exchange contracts to protect profitability. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign currency exchange rate movement in foreign currency contracts executed with foreign suppliers to procure capital items for its project activities. Also, certain foreign exchange future derivatives are taken for arbitrage between exchange and OTC.

G. BASU & CO. KOLKATA CHARTERED ACCOUNTANTS

MINERALS & MINERALS LTD

NOTES ON FINANCIAL STATEMENTS

20 Profit/ (Loss) Per Share (Basic and Diluted)

		Apr'18 - Mar'19 Mar 31, 2019	Mar 31, 2018
Profit / (Loss) after tax as per the Statement of Profit and Loss (Rs)	(A)	13352683	53089782
Weighted Average number of Equity shares outstanding	(B)	50000	50000
Profit/(Loss) per share (Basic and Diluted) (in Rupees)	(A / B)	267	1062
Nominal value of an Equity Share (in Rupees)		10	10

Note: Earning per share has been calculated as : (Total Available Profit-Provision for Taxation)

21 The carrying value of Financial Instruments by category:

Financial Assets Carried at Amortised Cost	As at Mar 31, 2019	As at Mar 31, 2018
Investment in Equity Instruments	-	-
Loans	-	-
Trade Receivables	-	-
Cash and Cash Equivalents	852577	14141185
Bank Balances other than Cash and Cash Equivalents	-	-
Others	76223	1794451
	928800	**15935636**

Financial Liabilities Carried at Amortised Cost		
Borrowings	-	-
Current maturities of Long-Term Borrowings	-	-
Current maturities of Finance Lease Obligations	-	-
Trade Payable	42693640.17	2,27,57,153.58
Other Payable	5,84,178.00	13,37,430.00
	4,32,77,818.17	**2,40,94,583.58**

22 Segment Information

A. Description of segment

The Company is principally engaged in a single business segment viz.Bauxite Mining and therefore segment reporting is not applicable.

ii) Carrying value of Non-Current assets (other than financial instruments)	As at Mar 31, 2019	As at Mar 31, 2018
Within India	8,74,93,248.88	7,73,21,971.62
Outside India	-	-
Total	**8,74,93,248.88**	**7,73,21,971.62**

Non-Current Assets for this purpose consists of Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets, Non-Current Tax Assets and Other Non-Current Assets.

iii) Extent of reliance on major customers

G. BASU & CO. CHARTERED ACCOUNTANTS KOLKATA

MINERALS & MINERALS LTD

23 A **Related Party disclosers (One party in transaction):-**

Hindalco Industries Limited (Holding Company)

(Rupees)

The following transactions were carried out with the related party in the ordinary course of business :

	2018-19	2017-18
Bauxite Sales	44,47,73,688	43,20,38,925
Share Capital	5,00,000	5,00,000
Trade Receivable(Hindalco Industries Limited)	-	-
Advance from Hindalco Industries Ltd, Renukoot	8,40,58,185	7,28,87,911

b Company through contractual work is dealing with one product,Bauxite ore and as such there is no segment reporting in this regards(AS-17)

c The break up of deferred tax liabilitues are as under:

24

Deferred Tax Assets/ Liabilities	Mar 31, 2019	Mar 31, 2018
(i)WDV of the Assets as on 31.03.2019 as per books of Accounts	50785945	51551371
(ii) WDV of the Assets as on 31.03.2019 as per Income Tax Act	27145055	32782607
Net differential Depreciation	2,36,40,890	1,87,68,764
(iii) Deferred Tax Liabilities @27.82%	65,76,895.00	6205517

25

Movement of Provisions of I tax during the year.	Mar 31, 2019	Mar 31, 2018
(i)Opening Balance	2,34,24,954	2544731
(ii)Addition during the year	52,89,600.00	21483514
Sub Total	28714554	2,40,28,245
(iii)Less Adjustment	-	603291
(iv) Closing Balance	28714554	2,34,24,954

Income Tax Reconciliation:	Mar 31, 2019	Mar 31, 2018
Profit/(Loss) from continuing operations before Tax	1,90,13,661.00	7,20,12,571.00
Company's Domestic Tax Rate	27.820%	33.063%
Tax Expenses using the company's domestic tax rate	52,89,600.00	2,38,09,516.00
Effects of:		
Adjustment pertaining to prior years	-	(54,03,094.00)
Difference in Tax rates	-	5,16,366.00
Total Tax expenses recognised in the Statement pf P&L	**52,89,600.00**	**1,89,22,788.00**

26 The accumulation of GST receivable is to the tune of Rs. 6.42 crore This is kept for utilisation in future.

27 **Additional Disclosure**

(a) Threre were no item effecting assests, liabilities, equity, net income or cash flows that are unusal because of their nature size and incidents.

(b) There were no event after the closure worth reporting.

(c) There were no changes in the composition of the entity during the interim period.

28 **Deatails of Contingent liability**

(a) Bank Guarantee from ICICI Bank Provided to the Member Secretary Jharkhand Polution Control Board, Ranchi for the period 2018-18 & 2019-20 amounting to Rs. 5,00,000/-

(b) Bank Guarantee from ICICI Bank Provided to the Director Department of Industry, Mines & Geology, for the period 2018-18 & 2019-20 amounting to Rs. 60,32,000/-

(c) Claims / Demands by the Assistant Mining Officer, Lohardaga,in the state of Jharkhand on the Company towars Royalty for Rs. 81,04,105 together with interest of Rs.85,62,150 upto December 2005 on account of vanadium extracted and sold by Hindalco Industries Limited against Bauxite supplied to them from 1991 - 92 to December 2005 not admitted by the company and against which proceedings are pending before the Certificate Officer, Chhotanagpur Anchal Division,Ranchi and Allahabad High Court. Company has deposited Rs.42,86,122 and furnished Bank Guarantees for Rs.42,86,122 in compliance with the orders of said Certificate officer against these demands.The Company has filed a petition for this matter on 5th March, 2013 before Certificate Officer (Mines), South Chotanagpur, Ranchi to refund the deposit amount and exempt to renew the Bank Gaurantee, hearing pending.

G. BASU & CO. KOLKATA CHARTERED ACCOUNTANTS

(d) Company received notice of demand/claim from the court of Certificate Officer (Mines) Chotanagpur Anchyal, Doranda, Ranchi in the state of Jharkhand for Royalty on Vanadium along with interest for the period from January,2006 to June,2006 amount to Rs.1,86,500 for which petition against demand u/s 9 of PDR Act has been submitted, which is still pending for final hearing. Impact of cash out flow is not ascertainable till final disposal of the appeal.

(e) Assistant Mining officer, Lohardaga filed the certificate case in the court of certificate officer, South Chhotanagpur Anchal, Ranchi U/S 7 of P.D.R.Act and sent a notice to Hindalco Industries Limited on account of Royalty with Interest from 01/07/2009 to 31/11/2010. THe said demand included the sum of Rs. 124263415/- as portion of demand on Minerals & Minerals Limited. Appeal against the said demand is pending with certificate oficer South Chhotanagpur Anchal, Ranchi petition U/S 9 of PDR Act. Hearing of the case is pending. Impact of cash out flow if any on the demand could not be estimated pending disposal of petition the authority. Impact of cash out flow is not ascertainable till final disposal of the appeal.

(f) There is a Demand for Surface Rent amounted to Rs.1265132/- which has been received from DMO's Office of Lohardaga, Jharkhand which is pending for settlement with the authority. No reliable estimated of probable cash out flow could be made pending disposal.

(g) Appeal against Income Tax demand for Rs 22,68,640/- for the AY 2013-14 is pending with CIT. 15% of the said demand amounting to Rs 3,40,300/- has been deposited.

(h) Company received a notice from Deputy Comisioner of Commercial Tax Lohardaga related to Audit Objection for the Pedriod 2009-10 of Rs. 7,22,834/- and company paid Rs. 94,275/- under protest and filed the petition at Court of The Commissioner of Commercial Taxes, Ranchi, Jharkhand.

(i) Company received a notice from Deputy Comisioner of Commercial Tax Lohardaga related to Audit Objection for the Pedriod 2010-11 of Rs. 10,12,135/- and company paid Rs. 1,32,007/- under protest and filed the petition at Court of The Commissioner of Commercial Taxes, Ranchi, Jharkhand.

(j) Company received a notice from Deputy Comisioner of Commercial Tax Lohardaga related to Audit Objection for the Pedriod 2011-12 of Rs. 1,55,70,516/- and company paid Rs. 20,30,770/- under protest and filed the petition at Court of The Commissioner of Commercial Taxes, Ranchi, Jharkhand.

29 In absence of indication of impairment of Fixed Assets, no exercise has been undertaken in respect thereof.

30 Minerals & Minerals Limited has no dues to Micro and Small parties registered under MSMED Act 2006.

31 Figures of the previous year have been regrouped/rearranged wherever considered necessary.

For and on behalf of the Board
Minerals & Minerals Limited

For G. BASU & CO.
Chartered Accountants
R. No.-301174E

(G. GUHA)
Partner
(M. No.-054702)

Place: Mumbai
Date : April 22, 2019

Amit Sengupta
Director
DIN-06496667

Date : April 22, 2019

Bijesh Kumar Jha
Director
DIN-08048099

Date : April 22, 2019

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RENUKA INVESTMENTS & FINANCE LIMITED

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of **RENUKA INVESTMENTS & FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 Standalone IND AS financial statements give the information required by the Companies Act 2013 ("The Act" or "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, 2019, its profit including Other Comprehensive Income , Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone IND AS financial statements 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 Standalone 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 Standalone Ind AS financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report and other report placed by the management before the members but does not include the Standalone IND AS financial statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone IND AS 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income , Statement of 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended].

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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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone IND AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone IND AS financial statements, including the disclosures, and whether the Standalone 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.

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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; issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ("the Order"), and the basis of examination of the books and records of the Company as we considered appropriate and according to the information and explanations given to use, 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. 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 purpose of our audit;
   (b) In our opinion the Company has kept proper books of account as require so far as appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the IND AS specified under section 133 of the Act read with 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 Standalone IND AS financial statements and the operating effectiveness of such control as at March 31, 2019, refer to our separate report in **Annexure "B"** attaches with this Report and
   (g) 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 has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone IND AS financial statements. (Refer Note 30)
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There was no amount, which was required to be transferred to the investor Education and Protection Fund by the Company.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

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Annexure "A" referred in paragraph 1 of the Independent Auditors Report of even date to the Members of RENUKA INVESTMENTS & FINANCE LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us by the management of the Company, during course of our audit, we report that:

1. (a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b). As explained to us, the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

   (c). According to the information and explanations given to us, the title deeds of the immovable properties as disclosed in Investment Property to the Standalone IND AS financial statements are held in the name of the Company.

2. There were no stock of goods during the year with the Company; hence, comments on its physical verification and Material discrepancies are not required and accordingly the provisions 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 the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and accordingly, provisions of clause 3 (iii), (iii) (a), (iii) (b) &(iii) (c) of the order, are not applicable to the Company.

4. According to the information and explanations given to us, the Company is a registered Non-Banking Finance Company with the Reserve Bank of India under section 45-IA of the RBI Ad, 1934, accordingly provision of section 185 and 186 of the Companies Act, 2013 are not applicable to the Company hence, provision of clause 3(iv) of the order, is not applicable to the Company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed thereunder apply.

6. According to the information, explanations given to us and the books & records examined by us, since the Company is a Registered Non-Banking Financial Company and not carrying out any manufacturing activity during the year therefore maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company.

7. (a). According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance, Sales Tax, Customs Duty, Excise Duty and VAT are not applicable to the Company. The Company is regular in depositing Income tax, Service tax, GST and any other applicable statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at March 31, 2019 for a period exceeding six months from the date they became payable.

   (b). According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Wealth Tax, Service Tax etc. as at March 31, 2019 except the Income Tax and Stamp Duty demand, the details of which are as under.

Name of the Statute	Nature of Dues	Amount (in Rs.)	Forum Where dispute is Pending
Income Tax Act, 1961	Income Tax & Interest A.Y. 2007-08	3,24,540/-	CIT (Appeals) Allahabad

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Uttar Pradesh Stamp Act (Section 47A of the Stamp Act)	Stamp Duty on Immovable Property	1,83,195/-	Allahabad High Court

8. The Company has not availed any loan from financial institution or banks, government or debenture holders during the current year as well as in the previous year and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.
9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.
10. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year.
11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the Companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.
12. In our opinion, the Company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.
13. In our opinion, and according to the information and explanations given to us, the Company has not carried out any transactions with the related parties as defined in section 177and 188 of the Companies Act, 2013. However, the details of related party transactions have been disclosed in the Standalone IND AS financial statements as required under Applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act.
14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.
16. The Company is a Registered Non-Banking Finance Company vide its Certificate of Registration under Section 45-IA of the Reserve Bank of India Act, 1934 from the Reserve Bank of India, Lucknow vide their letter No. LK. DBBS No.691/1475/1999-2000 dated November 5, 1999 with effect from February 27, 1998 to carry on the business of a Non-Banking Financial Company (NBFC).

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

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Annexure "B" referred in paragraph 2 (f) of the Independent Auditors Report of even date to the Members of RENUKA INVESTMENTS & FINANCE LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

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

We have audited the internal financial controls over financial reporting of **RENUKA INVESTMENTS & FINANCE LIMITED** ("the Company) as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

Auditor's 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 judgment, 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:

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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 authorizations of management and directors of the Company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

RENUKA INVESTMENTS & FINANCE LIMITED

Balance Sheet as at March 31, 2019

(Amount in ₹)

	Note	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets			
Investment Property	'5'	52,029,846	53,370,448
Financial Assets:			
Non-Current Investments	'6'	1,248,347,879	1,395,111,036
Deferred Tax Assets (Net)	'7'	28,766,282	21,125,427
		1,329,144,007	1,469,606,911
Current Assets			
Financial Assets:			
Current Investments	'8'	24,539,754	316,157,662
Cash and Cash Equivalents	'9'	401,506	1,455,826
Other Financial Assets	'10'	74,152,417	47,317
Current Tax Assets (Net)	'11'	648,859	587,634
Other Current Assets	'12'	-	-
		99,742,536	318,248,439
		1,428,886,543	1,787,855,350
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	'13'	92,500,000	92,500,000
Other Equity	'14'	1,329,900,074	1,688,852,645
		1,422,400,074	1,781,352,645
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	'7'	-	-
		-	-
Current Liabilities			
Financial Liabilities:			
Trade Payables	'15'	122,790	135,407
Other Financial Liabilities	'16'	6,171,705	6,171,705
Other Current Liabilities	'17'	191,974	195,593
		6,486,469	6,502,705
		6,486,469	6,502,705
		1,428,886,543	1,787,855,350
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of
Renuka Investments & Finance Limited

Anil Malik
Director
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKA INVESTMENTS & FINANCE LIMITED
Statement of Profit and Loss for the year ended March 31, 2019

(Amount in ₹)

	Note	Year ended 31/03/2019	Year ended 31/03/2018
REVENUES			
Other Income	'18'	107,415,088	100,615,905
Total Income		107,415,088	100,615,905
EXPENSES			
Finance Costs	'19'	-	248,866
Depreciation and Amortization	'20'	1,340,602	1,340,602
Other Expenses	'21'	1,542,732	1,482,752
Total Expenses		2,883,334	3,072,220
Profit before Tax		104,531,754	97,543,685
Income Tax Expenses:	'22'		
Current Tax		6,337,000	15,191,604
Deferred Tax		(6,594,688)	(242,804)
Profit for the period		104,789,442	82,594,885
Other Comprehensive Income:	'23'		
Items that will not be reclassified to Profit and Loss		(172,335,306)	(112,831,476)
Tax on items that will not be reclassified to Profit and Loss		4,104,457	35,828,024
Items that will be reclassified to Profit and Loss		-	-
Tax on items that will be reclassified to Profit and Loss		-	-
Other Comprehensive Income (Net of Tax)		(168,230,849)	(77,003,452)
Total Comprehensive Income for the period		(63,441,407)	5,591,433
Earnings per Share (EPS):	'24'		
Basic EPS		11.33	8.93
Diluted EPS		11.33	8.93
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. ★ CHARTERED ACCOUNTANTS ★

For and on behalf of the Board of
Renuka Investments & Finance Limited

Anil Malik
Director
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKA INVESTMENTS & FINANCE LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Note	Amount in ₹
Balance as at April 01, 2017		92,500,000
Change in Share Capital during the period		-
Balance as at March 31, 2018	'13'	92,500,000
Change in Share Capital during the period		-
Balance as at March 31, 2019	'13'	92,500,000

B. Other Equity

(Amount in ₹)

	Note	Reserve and Surplus			Other Reserve	
		Capital Redemption Reserve	Special Reserve	Retained Earnings	Equity Instruments FVTOCI	Total Other Equity
Balance as at April 01, 2017		15,000	139,523,085	191,950,825	1,351,772,302	1,683,261,212
Profit for the period		-	-	82,594,885	-	82,594,885
Other Comprehensive Income for the period	'23'	-	-	-	(77,003,452)	(77,003,452)
Total Comprehensive Income for the period		-	-	82,594,885	(77,003,452)	5,591,433
Dividend Paid (including Dividend Distribution Tax)		-	-	-	-	-
Transfer to/from Retained Earnings		-	-	52,350,300	(52,350,300)	-
Transfer to Special Reserve		-	16,518,977	(16,518,977)	-	-
Balance as at March 31, 2018	'14'	**15,000**	**156,042,062**	**310,377,033**	**1,222,418,550**	**1,688,852,645**
Profit for the period		-	-	104,789,442	-	104,789,442
Other Comprehensive Income for the period	'23'	-	-	-	(168,230,849)	(168,230,849)
Total Comprehensive Income for the period		-	-	104,789,442	(168,230,849)	(63,441,407)
Dividend Paid (including Dividend Distribution Tax)		-	-	(295,511,164)	-	(295,511,164)
Transfer to/from Retained Earnings		-	-	-	-	-
Transfer to Special Reserve		-	20,957,888	(20,957,888)	-	-
Balance as at March 31, 2019	'14'	**15,000**	**176,999,950**	**98,697,423**	**1,054,187,701**	**1,329,900,074**

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483
Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. ★ CHARTERED ACCOUNTANTS ★

For and on behalf of the Board of
Renuka Investments & Finance Limited

Anil Malik
Director
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKA INVESTMENTS & FINANCE LIMITED

Cash Flow Statement for the year ended March 31, 2019

(Amount in ₹)

	Note	Year ended 31/03/2019	Year ended 31/03/2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax:		104,531,754	97,543,685
Adjustment for :			
Finance Costs	'19'	-	248,866
Depreciation and Amortization	'20'	1,340,602	1,340,602
Interest Income		(220)	-
Dividend Income	'18'	(90,444,963)	(80,163,851)
(Gains)/ losses on financial Assets measured at FVTPL (Net)	'18'	(3,730,332)	(8,354,288)
Other Non-operating Income/ Expenses (Net)		-	-
Operating profit before working capital changes		11,696,841	10,615,014
Changes in working Capital:			
(Increase)/ Decrease in Trade and Other Receivables (Net)		(219,767)	932,209
Increase/ (Decrease) in Trade and Other Payables (Net)		(16,236)	299,893
Cash generation from Operation before Tax		11,460,838	11,847,116
(Payment)/ Refund of Income Tax (Net)		(3,339,935)	(15,063,466)
Net Cash Generated/ (Used) - Operating Activities		8,120,903	(3,216,350)
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments in Mutual Funds		(274,940,661)	(136,322,764)
Proceeds from Redemption of Investments in Mutual Funds		570,288,907	8,500,000
Investments in equity shares		(25,572,150)	-
Proceeds from Sale of investment in equity shares		-	52,465,300
Interest Received		220	-
Dividend Received		16,559,625	80,163,851
Net Cash Generated/ (Used) - Investing Activities		286,335,941	4,806,387
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost Paid		-	(248,866)
Dividend Paid (including Dividend Distribution Tax)		(295,511,164)	-
Net Cash Generated/ (Used) - Financing Activities		(295,511,164)	(248,866)
Net Increase/ (Decrease) in Cash and Cash Equivalents		(1,054,320)	1,341,171
Add : Opening Cash and Cash Equivalents		1,455,826	114,655
Closing Cash and Cash Equivalents		401,506	1,455,826

Reconciliation of Closing Cash and Cash Equivalents as per Statement of Cash Flow:

(Amount in ₹)

		As at	
		31/03/2019	31/03/2018
Closing Cash and Cash Equivalents	'9'	401,506	1,455,826
Adjustment in Closing Cash and Cash Equivalents		-	-
Balance as per Statement of Cash Flow		401,506	1,455,826

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Renuka Investments & Finance Limited

Anil Malik
Director
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKA INVESTMENTS & FINANCE LIMITED
Notes forming part of the Financial Statements

1. Company Overview:

Renuka Investments & Finance Limited ("the Company") was incorporated on October 24, 1994 having its registered office at Hindalco Industries Limited, Renukoot, Sonebhadra, Uttar Pradesh, 231217. The Company has a commercial building at Mumbai, which has been leased out for earning rental income.

The Company is a wholly owned subsidiary of Hindalco Industries Limited, a public limited company whose equity shares are listed on the Indian Stock Exchanges (National Stock Exchange and Bombay Stock Exchange) and GDRs are listed on the Luxemburg Stock Exchange.

2. Basis of Preparation and Significant Accounting Policies:

I. Basis of Preparation:

The financial statements of Renuka Investments & Finance Limited ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India. The financial statements for the year ended March 31, 2019 have been approved by the Board of Directors of the Company in their meeting held on April 22, 2019.

The financial statements have been prepared under the historical cost convention on accrual basis except for financial instruments, which have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

In preparing the financial statements in conformity with Ind-AS requires management to make estimates and assumptions that affect reported Amount of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the Amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period in which the same is determined.

The financial statements are presented in Indian Rupees (INR/₹) which is the Functional Currency of the Company.

II. Significant Accounting Policies:

A. Investment Property

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property is at the carrying amount of the property.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives. Depreciation on Investment Property has been provided using Straight Line Method at the rates and manner prescribed under Schedule II of the Companies Act, 2013.

Impairment

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value-in-use and net selling price. Value-in-use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

B. Financial Instruments

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value.

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Equity Instruments

The Company's investment in equity instruments is strategic in nature and has been held for a substantial period of time. The company does not acquire equity instruments for the purpose of selling in the near term for short term profit taking. The company has therefore made an irrevocable election to measure equity instruments at Fair Value through Other Comprehensive Income (FVTOCI).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings. For equity instruments measured at fair value through other comprehensive income no impairments are recognized in the statement of profit and loss.

Dividends on these investments in equity instruments are recognized in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Debt Instruments

The Company's primary objective of the investment in the mutual fund is to maximize yield while maintaining liquidity to meet business fluctuations/opportunities. The company has therefore decided to measure debt instruments at Fair Value through Profit and Loss (FVTPL).

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs. These are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in the statement of profit and loss as 'Gains/ loss on financial instruments measured at FVTPL'. Periodical income or interest and gain and loss on sale/ transfer on derecognition of debt instruments at FVTPL is included in the statement of profit and loss as net gain or loss.

C. Fair Value Measurement

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

D. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

E. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of Amount expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognized on differences between the carrying Amount of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. the Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Current and deferred tax for the period

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

F. Revenue Recognition

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Interest, Dividend and other income on investments is accounted for when the right to receive the payment is established. The Amount where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

Revenue excludes taxes that are collected on behalf of Government Authorities.

G. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. In case of litigation, the Company may entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

3. Measurement of fair value

A Financial Instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

B Marketable and non-marketable equity securities

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models.

4. Critical accounting judgment and key sources of estimation uncertainty:

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

(a) Taxes

The Company calculates income tax expense based on income reported. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures all of which may be uncertain. Economic conditions may change and lead to a different conclusion regarding recoverability. Tax authorities may challenge the Company's computation of tax payable from prior periods. Such process may lead to changes to prior periods taxable income, resulting in change to income tax expenses in the period of change.

(b) Recoverability of advances/ receivables

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factor.

RENUKA INVESTMENTS AND FINANCE LIMITED ★

★ MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS ★

(c) **Fair value measurements**

the Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(d) **Contingent assets and liabilities, uncertain assets and liabilities**

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether the Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of Amount, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

5. Investment Property:

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Cost	78,525,147	78,525,147
Less: Accumulated Depreciation and Impairment	(26,495,301)	(25,154,699)
Net carrying amount	52,029,846	53,370,448

	Freehold Land	Buildings	Total
Cost			
As at April 01, 2017	186,383	78,338,764	78,525,147
Disposal/ Adjustments	-	-	-
As at March 31, 2018	186,383	78,338,764	78,525,147
Disposal/ Adjustments	-	-	-
As at March 31, 2019	186,383	78,338,764	78,525,147
Accumulated Depreciation and Impairment			
As at April 01, 2017	-	23,814,097	23,814,097
Depreciation for the period	-	1,340,602	1,340,602
As at March 31, 2018	-	25,154,699	25,154,699
Depreciation for the period	-	1,340,602	1,340,602
As at March 31, 2019	-	26,495,301	26,495,301
Net carrying amount			
As at March 31, 2018	186,383	53,184,065	53,370,448
As at March 31, 2019	186,383	51,843,463	52,029,846
Usefule life of investment properties	Indefinate	60 years	

(a). Amount recognized in profit and loss for investment properties are as under:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Rental Income	13,239,573	12,097,766
Less: Direct operating expenses, including repair and maintenance, generating rental income	(1,453,550)	(1,391,731)
Profit or loss from investment properties before depreciation	11,786,023	10,706,035
Less: Depreciation	(1,340,602)	(1,340,602)
Profit or loss from investment properties	10,445,421	9,365,433

(b). All of the Investment Properties of the Company are held under freehold interest.

(c). the Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(d). The fair value of the Company's investment properties have been carried out by external valuer. Information of fair value of investment properties and level of air value hierarchy are given below:

i. Fair value of investment properties given below:

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Freehold Land	22,700,000	22,235,000
Buildings	178,421,000	178,414,709

ii. Fair value hierarchy of investment properties given below:

(Amount in ₹)

	As at 31/03/2019		As at 31/03/2018	
	Level 1	Level 2	Level 1	Level 2
Freehold land	-	22,700,000	-	22,235,000
Buildings	-	178,421,000	-	178,414,709

RENUKA INVESTMENTS AND FINANCE LIMITED

MANOJ ... & CO. CHARTERED ACCOUNTANTS

RENUKA INVESTMENTS & FINANCE LIMITED

Notes forming part of the Financial Statements

6. Non-Current Investments:

(Amount in ₹)

	Face value per Unit	Numbers - As at 31/03/2019	Numbers - As at 31/03/2018	Value - As at 31/03/2019	Value - As at 31/03/2018
Quoted Investments					
Investment in Equity Instruments (Fully paid-up)					
National Aluminium Company Limited	₹ 5	16,418,964	16,418,964	910,431,554	1,091,040,158
Grasim Industries Limited	₹ 2	242,185	242,185	207,782,621	254,512,217
Aditya Birla Capital Limited	₹ 10	339,059	339,059	32,956,534	49,485,661
				1,151,170,709	1,395,038,036
Unquoted Investments					
Investment in Equity Instruments (Fully paid-up)					
Birla Management Centre Services Limited	₹ 10	9,500	7,000	97,174,170	70,000
				97,174,170	70,000
Investment in Preference Shares (Fully paid-up)					
Birla Management Centre Services Limited	₹ 10	300	300	3,000	3,000
				3,000	3,000
				97,177,170	73,000
				1,248,347,879	1,395,111,036

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

	31/03/2019	31/03/2018
Aggregate cost of quoted investments	197,459,270	197,459,270
Aggregate market value of quoted investments	1,151,170,709	1,395,038,036
Aggregate cost of unquoted investments	25,645,150	73,000
Aggregate amount of impairment in value of investments	-	-

7. Deferred Tax:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
(a). **Deferred Tax Assets (Net)**		
Deferred Tax Assets	28,766,282	21,125,427
Less: Deferred Tax Liabilities	-	-
	28,766,282	21,125,427
(b). **Deferred Tax Liabilities (Net)**		
Deferred Tax Liabilities	-	-
Less: Deferred Tax Assets	-	-
	-	-

(c). Major components of Deferred Tax Assets/ Liabilities (Net) arising on account of temporary timing differences and movement therein are given below:

(Amount in ₹)

	Deferred Tax Assets (Net) FV of Financial Instruments Year ended 31/03/2019	Deferred Tax Assets (Net) FV of Financial Instruments Year ended 31/03/2018	Deferred Tax Liabilities (Net) FV of Financial Instruments Year ended 31/03/2019	Deferred Tax Liabilities (Net) FV of Financial Instruments Year ended 31/03/2018
Deferred Tax Assets:				
As at beginning	21,125,427	-	-	-
Recognised in Statement of Profit and Loss	6,594,688	(3,714,358)	-	-
Recognised in OCI	4,104,457	24,839,785	-	-
MAT credit utilised	(3,058,290)	-	-	-
As at the end	28,766,282	21,125,427	-	-
Deferred Tax Liabilities:				
As at beginning	-	-	-	14,945,401
Recognised in Statement of Profit and Loss	-	-	-	(3,957,162)
Recognised in OCI	-	-	-	(10,988,239)
As at the end	-	-	-	-
Deferred Tax Assets/ (Liabilities) (Net)	28,766,282	21,125,427	-	-

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

(d). **Unrecognised Deferred Taxes**

The Company has not recognised deferred tax assets and tax credits for certain items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. The details of such items and its period of expiry are given below:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
i. Unrecognised Deferred Tax Assets:		
Long-term Capital losses	-	-
ii. Unused Tax Credits:		
MAT Credit	3,630,140	6,688,430
Period of expiry	FY 2028	FY 2027 - 2028

8. Current Investments:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Quoted Investments		
Investment in Mutual Funds:		
Aditya Birla Sun Life Mutual Funds	24,539,754	244,789,360
Baroda Pioneer Mutual Funds	-	42,069,084
IDFC Mutual Funds	-	29,299,218
	24,539,754	316,157,662

RENUKA INVESTMENTS AND FINANCE LIMITED

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(a). Aggregate amount of quoted and unquoted investments, market value of quoted Investments and aggregate amount of impairment in value of Investments are given below:

Aggregate cost of quoted investments	23,900,000	294,668,791
Aggregate market value of quoted Investments	24,539,754	316,157,662
Aggregate cost of unquoted investments	-	-
Aggregate amount of impairment in value of Investments	-	-

9. Cash and Cash Equivalents:

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Balance with Banks - Current Accounts	401,382	1,455,502
Cash on hand	124	324
	401,506	1,455,826

(a). There are no repatriation restrictions with regard to cash and cash equivalents.

10. Other Financial Assets:
(Unsecured, considered good unless otherwise stated)

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Receivables against Rent	267,079	47,317
Dividend Accrued	73,885,338	-
Other Receivable	-	-
	74,152,417	47,317

11. Current Tax Assets (Net):

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Advance Tax Assets (Net)	648,859	587,634
	648,859	587,634

12. Other Current Assets:

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Prepaid expenses	-	-
Advance for Purchase of Mutual Funds	-	-
	-	-

13. Equity Share Capital:

(Amount in ₹)

	As at	
	31/03/2019	31/03/2018
Authorized:		
9,995,000 (31/03/2018: 9,995,000) Equity Shares of ₹ 10/- each	99,950,000	99,950,000
500 (31/03/2018: 500) Redeemable Cumulative Preference Shares of ₹ 100/- each	50,000	50,000
	100,000,000	100,000,000
Issued, Subscribed and Paid-up:		
9,250,000 (as at 31/03/2018: 9,250,000) Equity Shares of ₹ 10/- each - (a)	92,500,000	92,500,000
	92,500,000	92,500,000

(a). Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

	Year ended 31/03/2019		Year ended 31/03/2018	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Equity Shares outstanding at the beginning of the period	9,250,000	92,500,000	9,250,000	92,500,000
Equity Shares outstanding at the end of the period	9,250,000	92,500,000	9,250,000	92,500,000

(b). Rights, Peferences and Restrictions attached to Equity Shares:
The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential Amount, in proportion to their shareholding.

(c). Details of shareholders holding more than 5% Equity Shares in the Company on reporting date:

	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Hindalco Industries Limited and its nominees	9,250,000	100.00%	9,250,000	100.00%

(d). The Company during the preceding 5 years:
i. Has not allotted shares pursuant to contracts without payment received in cash.
ii. Has not issued shares by way of bonus shares.
iii. Has not bought back any shares.

RENUKA INVESTMENTS AND FINANCE LIMITED

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

14. **Other Equity:**

(Amount In ₹)

	As at 31/03/2019	As at 31/03/2018
Reserve and Surplus		
Capital Redemption Reserve	15,000	15,000
Special Reserve	176,999,950	156,042,062
Retained Earnings	98,697,423	310,377,033
	275,712,373	466,434,095
Other Reserves		
Equity Instruments Fair Value through OCI	1,054,187,701	1,222,418,550
	1,054,187,701	1,222,418,550
	1,329,900,074	1,688,852,645

(a). Brief description of items of other equity are given below:

i. **Capital Redemption Reserve**

This is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares. The provisions relating to the capital redemption reserve are set out in section 69 of the Companies Act, 2013.

ii. **Special Reserve**

The Company is registered as non-banking financial company and as per requirement of Section 45-IC of the Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

iii. Retained Earnings

Amount of retained earnings represents accumulated profit and losses of the company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI.

iv. **Equity Instruments Fair Value through OCI**

The Company has elected to recognise changes in the fair value of investments in equity securities through other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognised.

(b). Movement of each item of other equity is presented in the Statement of Changes in Equity.

15. **Trade Payables:**

(Amount In ₹)

	As at 31/03/2019	As at 31/03/2018
Trade Payables	122,790	135,407
	122,790	135,407

16. **Other Financial Liabilities:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Security and other Deposits	6,171,705	6,171,705
Amounts payable to related parties	-	-
	6,171,705	6,171,705

17. **Other Current Liabilities:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Interim Dividend payable (incl. Dividend Distribution Tax thereon)		
Advance received from Customer		
Statutory dues Payables	191,974	195,593
	191,974	195,593

18. **Other Income:**

(Amount In ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Income		
On Non-current Investments		
On Others	220	-
Dividend Income		
On Non-current Investments	90,304,302	78,501,149
On Current Investments	140,661	1,662,702
Gains (losses) on Financial Assets measured at fair value through Profit and Loss (Net)		
On sale of Financial Assets FVTPL	24,579,455	113,427
On change in fair value of of Financial Assets FVTPL	(20,849,123)	8,240,861
Rent Income from Investment Properties	13,239,573	12,097,766
Other Miscellaneous Income	-	-
	107,415,088	100,615,905

RENUKA INVESTMENTS AND FINANCE LIMITED

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RENUKA INVESTMENTS & FINANCE LIMITED

Notes forming part of the Financial Statements

19. Finance Costs:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Expenses - (a)	-	248,866
	-	248,866

(a). Includes interest paid to income tax department ₹ NIL (31/03/2018: ₹ 248,866)

20. Depreciation and Amortisation Expenses:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Depreciation of Investment Properties	1,340,602	1,340,602
	1,340,602	1,340,602

21. Other Expenses:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Repairs to Buildings	983,338	921,519
Rates and Taxes	475,060	480,622
Payments to Auditors:		
Statutory Audit Fees	52,500	30,000
Taxation Matters	10,000	21,400
Other Matters	2,500	-
Reimbursement of expenses	-	17,108
Legal, Professional and Consultancy Fees	-	-
Miscellaneous Expenses	19,334	12,103
	1,542,732	1,482,752

22. Income Tax Expenses:

The Company's income tax expenses and effective tax rate reconciliation given below:

(a). **Amount recognised in Statement of Profit and Loss**

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
i. **Current Tax**		
Current tax on profits for the year	6,162,000	14,450,000
Adjustments for current tax of prior periods (Net)	175,000	741,604
Total current tax expenses	6,337,000	15,191,604
ii. **Deferred Tax**		
Deferred Tax for the year	(3,536,398)	(242,804)
MAT credit entitlement	(3,058,290)	-
Total deferred tax expenses	(6,594,688)	(242,804)
Total Income Tax Expenses	(257,688)	14,948,800

(b). **Reconciliation of Effective Tax Rate**

(Amount in ₹)

	Year ended	
	31/03/2019	31/03/2018
Profit before Tax	104,531,754	97,543,685
Statutory Income Tax Rate applicable to the Company	27.8200%	27.5525%
Tax expenses using applicable income tax rate	29,080,734	26,875,724
Tax effect of adjustments to reconcile income tax expenses:		
Expenses allowed on notional basis for income from house property	(1,065,731)	(961,105)
Expenses not deductible in determining taxable profit	671,331	648,349
Income exempt from tax (Dividends)	(25,161,789)	(22,087,145)
Difference in tax rates	(3,782,233)	9,731,373
Adjustments pertaining to prior years	-	741,604
Income Tax Expenses recognised in the Statement of Profit and Loss	(257,688)	14,948,800

23. Other Comprehensive Income:

The disaggregation of changes to other comprehensive income (OCI) by each class is given below:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
(a). **Items that will not be reclassified to Profit and Loss**		
Change in fair value of equity instruments FVTOCI	(172,335,306)	(112,831,476)
Income tax effect on above	4,104,457	35,828,024
	(168,230,849)	(77,003,452)
(b). **Items that will be reclassified to Profit and Loss**		
Change in fair value of debt instruments FVTOCI	-	-
Income tax effect on above	-	-
	-	-
Total Other Comprehensive Income	(168,230,849)	(77,003,452)

RENUKA INVESTMENTS AND FINANCE LIMITED

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

24. **Earnings per Share (EPS):**

	Year ended 31/03/2019	(Amount in ₹) Year ended 31/03/2018
Profit for the period (As per Statement of Profit and Loss)	104,789,442	82,594,885
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of equity shares for basic EPS	9,250,000	9,250,000
Dilutive potential equity shares	-	-
Weighted average number of equity shares for diluted EPS	9,250,000	9,250,000
Face value of per equity share	10.00	10.00
Earnings per Share:		
Basic EPS	11.33	8.93
Diluted EPS	11.33	8.93

25. **Impairment Loss:**

The Company has carried out impairment test of assets and find that there is no impairment loss during the year.

26. The provision of Corporate Social Responsibility under Section 135 of the Companies Act 2013 is not required to the Company as the Company does not fall in the applicability criteria set out in the Act.

27. **Financial Instruments:**

A. **Fair Value Measurements**

(a). The following table shows the carrying amount and fair values of financial assets and financial liabilities by category.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	-	1,151,170,709	-	-	1,395,038,036	-
Unquoted Equity Instruments *	-	97,174,170	-	70,000	-	-
Investments in Preference Shares						
Unquoted Preference Shares *	3,000	-	-	3,000	-	-
Investments in Debt Instruments						
Mutual Funds	-	-	24,539,754	-	-	316,157,662
Cash and Cash Equivalents						
Cash and Bank*	401,506	-	-	1,455,826	-	-
Other Financial Assets*	74,152,417	-	-	47,317	-	-
Total Financial Assets	74,556,923	1,248,344,879	24,539,754	1,576,143	1,395,038,036	316,157,662
Financial Liabilities						
Trade Payables*	122,790	-	-	135,407	-	-
Other Financial Liabilities*	6,171,705	-	-	6,171,705	-	-
Total Financial Liabilities	6,294,495	-	-	6,307,112	-	-

* Fair values for these financial instruments have not been disclosed because their carrying Amount are a reasonable approximation of their fair values.

(b). Financial income by financial instruments category wise given below:

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Interest Income	-	-	-	-	-	-
Dividend Income	-	90,304,302	140,661	-	78,501,149	1,662,702
	-	90,304,302	140,661	-	78,501,149	1,662,702

(c). During the year ended March 31, 2018, the Company sold investment in certain equity instruments measured at FVTOCI to meet liquidity requirement. Fair value of these investments on the date of derecognition was ₹ 52,465,300 (31/03/2018: ₹ Nil). As a result of disposal, the Company earned a cumulative gain of ₹ 52,350,300 (31/03/201: ₹ Nil).

B. **Fair Value Hierarchy**

The following table shows the details of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	1,151,170,709	-	-	1,395,038,036	-	-
Unquoted Equity Instruments	-	-	97,174,170	-	-	-
Investments in Debt Instruments						
Mutual Funds	24,539,754	-	-	316,157,662	-	-
Total Financial Assets	1,175,710,463	-	97,174,170	1,711,195,698	-	-

Level 1 - This hierarchy includes financial instruments valued using quoted market prices. Listed equity intruments and traded debt instruments which are traded in the stock exchanges are valued using the closing at the reporting date. Mutual funds are valued using the closing NAV.

Level 2 - This hierarchy includes financial instruments that are not traded in active market. This includes debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2.

Level 3 - If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants. Valuations for certain derivatives for which forward prices are not observable, have valued using forward prices for a nearby geographical market and adjusted for historical spreads between cash prices of the two the markets.

(a). **Disclosure of changes in level 3 instruments:**

(Amount in ₹)

	Unquoted Equity Instruments	
	2019	2018
As at April 01	-	50,232,000
Acquisitions	25,572,150	-
Diaposal	-	(52,465,300)
Reclassified from Cost to FVTOCI	70,000	-
Gain/ (Loss) recognised in OCI	71,532,020	2,233,300
As at March 31	97,174,170	-

28. **Financial Risk Management:**

The Company's activities exposes it to various risks such as Market risk, Credit risk and Liquidity risk. This section explains the risks which the Company is exposed to and how it manages the risks.

(a). **Market Risk**

The Company's exposure to equity securities price risk arises from movement in market price of related securities classified either as fair value through OCI or as fair value through statement of profit and loss. The Company manages the price risk through diversified portfolio as well as regular monitoring of share prices.

The table below summarizes the impact of increase/ decrease in the equity share prices on the Company's equity and profit for the period.

(Amount in ₹)

		31/03/2019		31/03/2018	
	Change in Rate/Price	Change in Statement of Profit and Loss	Change in Other Components of Equity	Change in Statement of Profit and Loss	Change in Other Components of Equity
Investment in Equity securities	10%	-	115,117,071	-	139,503,804

(b). **Credit Risk**

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

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information.

(c). **Liquidity Risk**

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments.

Maturity Analysis

The table below shows the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The Amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in ₹)

	< 1 Year	1-2 Years	2- 5 Years	> 5 Years	Total
Contractual maturities of financial liabilities as at March 31, 2019					
Trade payables	122,790	-	-	-	122,790
Other financial liabilities	6,171,705	-	-	-	6,171,705
	6,294,495	-	-	-	6,294,495
Contractual maturities of financial liabilities as at March 31, 2018					
Trade payables	135,407	-	-	-	135,407
Other financial liabilities	6,171,705	-	-	-	6,171,705
	6,307,112	-	-	-	6,307,112

29. **Offsetting Financial Assets and Financial Liabilities:**

The following table presents the financial assets and financial liabilities subject to offsetting, enforceable master netting arrangement and similar arrangement.

(Amount in ₹)

	Effects on Balance sheet			Related Amount not offset		
	Gross Amount	Gross amount set off in the balance sheet	Net amount in the balance sheet	Amount subject to master netting	Financial instrument collateral	Net Amount
As at March 31, 2019:						
Financial Assets						
Cash and cash equivalents	401,506	-	401,506	-	-	401,506
Other financial assets	74,152,417	-	74,152,417	-	-	74,152,417
Total Financial Assets	74,553,923	-	74,553,923	-	-	74,553,923
Financial Liabilities						
Trade Payables	122,790	-	122,790	-	-	122,790
Other financial Liabilities	6,171,705	-	6,171,705	-	-	6,171,705
Total Financial Liabilities	6,294,495	-	6,294,495	-	-	6,294,495
As at March 31, 2018:						
Financial Assets						
Cash and cash equivalents	1,455,826	-	1,455,826	-	-	1,455,826
Other financial assets	47,317	-	47,317	-	-	47,317
Total Financial Assets	1,503,143	-	1,503,143	-	-	1,503,143
Financial Liabilities						
Trade Payables	135,407	-	135,407	-	-	135,407
Other financial Liabilities	6,171,705	-	6,171,705	-	-	6,171,705
Total Financial Liabilities	6,307,112	-	6,307,112	-	-	6,307,112

30. **Segment Information:**

In accordance with Ind AS 108, Operating Segment used to present the segment information are identified on the basis of internal report used by the Company's management to allocate resources to the segment and assess their performances. The Board of the directors of the Company is collectively Chief Operating Decision Maker (CODM). The Company's activities comprising of Renting of Immovable Property and Investment Activity are in one single reportable segment and also are in one geographical segment (within India). Therefore, there is no other significant class of operating segment or geographical segment.

RENUKA INVESTMENTS & FINANCE LIMITED
Notes forming part of the Financial Statements

31. Related Party Transactions:

Hindalco Industries Limited is the Parent of the Company. The details of transactions and outstanding balances with the parent are given below:

(a). **Transactions**

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
i. **Services Rendered**		
Rent received (Excluding taxes)	4,835,102	1,101,382
ii. **Dividend paid**		
Interim Dividend paid	245,125,000	-
iii. **Balance outstanding**		
Rent receivables	28,471	-
Interim Dividend payable	-	-
Credit balance payable	-	-

32. Contingent Liabilities:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Claims against the company not acknowledged as debt		
i. Income Tax & Interest For AY 2007-08 (Net of Adjustment against refund due for AY 2012-13 amounting to ₹ 9,37,370/-)	324,540	324,540
ii. Stamp Duty Demand raised by the State Government of U.P. on Purchase of Land from Gwalior Properties and Estate Limited (Net of Payment of ₹ 1,83,195/-)	183,195	183,195

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

33. Previous period figures have been reclassified wherever required to conform to the presentation of current period.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483
Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of
Renuka Investments & Finance Limited

Anil Malik
Director
DIN: 00170411

D C Kabra
DIN: 00579509

MANOJ VIPIN & CO.
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of RENUKESHWAR INVESTMENTS & FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 Standalone IND AS financial statements give the information required by the Companies Act 2013 ("The Act" or "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, 2019, its profit including Other Comprehensive Income , Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone IND AS financial statements 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 Standalone 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 Standalone Ind AS financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report and other report placed by the management before the members but does not include the Standalone IND AS financial statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone IND AS 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income , Statement of 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended].

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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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone IND AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone IND AS financial statements, including the disclosures, and whether the Standalone 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.

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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; issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ("the Order"), and the basis of examination of the books and records of the Company as we considered appropriate and according to the information and explanations given to use, 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. 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 purpose of our audit;

   (b) In our opinion the Company has kept proper books of account as require so far as appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the IND AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 Standalone IND AS financial statements and the operating effectiveness of such control as at March 31, 2019, refer to our separate report in **Annexure "B"** attaches with this Report and

   (g) 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 does not have any pending litigations as at March 31, 2019 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 was no amount, which was required to be transferred to the investor Education and Protection Fund by the Company.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

MANOJ VIPIN & CO.
Chartered Accountants
407, 4th Floor, Nirman Kendra,
Dr E Moses Road, Famous Studio Lane, Mahalaxmi
Mumbai 400 011
Email: dharmesh@camanojvipin.com
Phone: +91 9892817529

Annexure "A" referred in paragraph 1 of the Independent Auditors Report of even date to the Members of RENUKESHWAR INVESTMENTS & FINANCE LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements".

On the basis of such checks as we considered appropriate and according to the information and explanations given to us by the management of the Company, during course of our audit, we report that:

1. The Company does not own any fixed assets during the financial year under review. There, comments regarding maintenance of proper records, physical verification of fixed assets by the management and title of the immovable properties are not required and accordingly the provisions of clause 3 (i) (a) to (c) of the Order are not applicable to the Company.

2. There were no stock of goods during the year with the Company; hence, comments on its physical verification and Material discrepancies are not required and accordingly the provisions 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 the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and accordingly, provisions of clause 3 (iii), (iii) (a), (iii) (b) &(iii) (c) of the order, are not applicable to the Company.

4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee or security where provisions of section 185 and 186 of the companies Act, 2013 are applicable, hence, provision of clause 3(iv) of the order, is not applicable to the Company.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed thereunder apply.

6. According to the information, explanations given to us and the books & records examined by us, the Company is not carrying out any manufacturing activity during the year therefore maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company.

7. (a). According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, GST, Customs Duty, Excise Duty and VAT are not applicable to the Company. The Company is regular in depositing Income tax and any other applicable statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at March 31, 2019 for a period exceeding six months from the date they became payable.

   (b). According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Wealth Tax, Service Tax, GST etc. as at March 31, 2019.

8. The Company has not availed any loan from financial institution or banks, government or debenture holders during the current year as well as in the previous year and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.

9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.

10. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the Companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

MANOJ VIPIN & CO.
Chartered Accountants
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Dr E Moses Road, Famous Studio Lane, Mahalaxmi
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12. In our opinion, the Company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the Company has not carried out any transactions with the related parties as defined in section 177and 188 of the Companies Act, 2013. However, the details of related party transactions have been disclosed in the Standalone IND AS financial statements as required under Applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the Company is required to be Registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non-Banking Financial Company (NBFC) and accordingly the Company has applied for registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) to carry on the business of a NBFC, in the office of RBI, Kanpur, but the registration number is still awaited.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

Dharmesh

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

MANOJ VIPIN & CO.
Chartered Accountants
407, 4th Floor, Nirman Kendra,
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Annexure "B" referred in paragraph 2 (f) of the Independent Auditors Report of even date to the Members of RENUKESHWAR INVESTMENTS & FINANCE LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

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

We have audited the internal financial controls over financial reporting of **RENUKESHWAR INVESTMENTS & FINANCE LIMITED** ("the Company) as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

Auditor's 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, issued by ICAI and deemed *to* be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 judgment, 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 that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Balance Sheet as at March 31, 2019

(Amount in ₹)

	Note	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets			
Financial Assets:			
Non-Current Investments	'5'	710,550,939	851,507,843
Deferred Tax Assets (Net)	'6'	28,423,554	12,147,846
		738,974,493	863,655,689
Current Assets			
Financial Assets:			
Current Investments	'7'	74,056,543	200,929,520
Cash and Cash Equivalents	'8'	52,923	340,443
Other Financial Assets	'9'	57,664,188	
Current Tax Assets (Net)	'10'	32,229	92,589
		131,805,883	201,362,552
		870,780,376	1,065,018,241
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	'11'	47,950,000	47,950,000
Other Equity	'12'	822,794,976	1,017,032,841
		870,744,976	1,064,982,841
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	'6'		
			-
Current Liabilities			
Financial Liabilities:			
Trade Payables	'13'	32,400	32,400
Other Current Liabilities	'14'	3,000	3,000
		35,400	35,400
		35,400	35,400
		870,780,376	1,065,018,241
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Renukeshwar Investments & Finance Limited

Anil Malik
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in ₹)

	Note	Year ended 31/03/2019	Year ended 31/03/2018
REVENUES			
Other Income	'15'	76,332,728	67,297,253
Total Income		76,332,728	67,297,253
EXPENSES			
Finance Costs	'16'	-	162,831
Other Expenses	'17'	103,378	67,055
Total Expenses		103,378	229,886
Profit before Tax		76,229,350	67,067,367
Income Tax Expenses:	'18'		
Current Tax		2,225,000	2,590,661
Deferred Tax		(2,570,830)	(49,655)
Profit for the period		76,575,180	64,526,361
Other Comprehensive Income:	'19'		
Items that will not be reclassified to Profit and Loss		(140,956,904)	(128,783,353)
Tax on items that will not be reclassified to Profit and Loss		14,659,518	15,059,323
Items that will be reclassified to Profit and Loss		-	-
Tax on items that will be reclassified to Profit and Loss		-	-
Other Comprehensive Income (Net of Tax)		(126,297,386)	(113,724,030)
Total Comprehensive Income for the period		(49,722,206)	(49,197,669)
Earnings per Share (EPS):	'20'		
Basic EPS		15.97	13.46
Diluted EPS		15.97	13.46
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Renukeshwar Investments & Finance Limited

Anil Malik
DIN: 00170411

D C Kabra
DIN: 00579509

MANOJ VIPIN & CO. ★ CHARTERED ACCOUNTANTS ★

RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Note	Amount in ₹
Balance as at April 01, 2017		47,950,000
Change in Share Capital during the period		-
Balance as at March 31, 2018	'11'	47,950,000
Change in Share Capital during the period		-
Balance as at March 31, 2019	'11'	47,950,000

B. Other Equity

(Amount in ₹)

	Note	Reserve and Surplus		Other Reserve	
		Capital Redemption Reserve	Retained Earnings	Equity Instruments FVTOCI	Total Other Equity
Balance as at April 01, 2017		15,000	276,112,394	790,103,116	1,066,230,510
Profit for the period		-	64,526,361	-	64,526,361
Other Comprehensive Income for the period	'19'	-	-	(113,724,030)	(113,724,030)
Total Comprehensive Income for the period		-	64,526,361	(113,724,030)	(49,197,669)
Dividend Paid (including Dividend Distribution Tax)		-	-	-	-
Balance as at March 31, 2018	'12'	15,000	340,638,755	676,379,086	1,017,032,841
Profit for the period		-	76,575,180	-	76,575,180
Other Comprehensive Income for the period	'19'	-	-	(126,297,386)	(126,297,386)
Total Comprehensive Income for the period		-	76,575,180	(126,297,386)	(49,722,206)
Dividend Paid (including Dividend Distribution Tax)		-	(144,515,659)	-	(144,515,659)
Balance as at March 31, 2019	'12'	15,000	272,698,276	550,081,700	822,794,976

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483
Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of
Renukeshwar Investments & Finance Limited

Anil Malik
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Cash Flow Statement for the year ended March 31, 2019

(Amount in ₹)

	Note	Year ended 31/03/2019	Year ended 31/03/2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax:		76,229,350	67,067,367
Adjustment for :			
Finance Costs	'16'	-	162,831
Interest Income	'15'	-	-
Dividend Income	'15'	(70,571,176)	(61,323,104)
(Gains)/ losses on financial Assets measured at FVTPL (Net)	'15'	(5,761,552)	(5,974,149)
Other Non-operating Income/ Expenses (Net)		-	-
Operating profit before working capital changes		(103,378)	(67,055)
Changes in working Capital:			
(Increase)/ Decrease in Trade and Other Receivables (Net)		-	-
Increase/ (Decrease) in Trade and Other Payables (Net)		-	9,061
Cash generation from Operation before Tax		(103,378)	(57,994)
(Payment)/ Refund of Income Tax (Net)		(1,210,000)	(2,706,226)
Net Cash Generated/ (Used) - Operating Activities		(1,313,378)	(2,764,220)
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments in Mutual Funds		(158,592,526)	(96,916,063)
Proceeds from Redemption of Investments in Mutual Funds		291,227,055	3,000,000
Interest Received		-	-
Dividend Received		12,906,988	61,323,104
Net Cash Generated/ (Used) - Investing Activities		145,541,517	(32,592,959)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost Paid		-	(162,831)
Dividend Paid (including Dividend Distribution Tax)		(144,515,659)	-
Net Cash Generated/ (Used) - Financing Activities		(144,515,659)	(162,831)
Net Increase/ (Decrease) in Cash and Cash Equivalents		(287,520)	(35,520,010)
Add : Opening Cash and Cash Equivalents		340,443	35,860,453
Closing Cash and Cash Equivalents		**52,923**	**340,443**

Reconciliation of Closing Cash and Cash Equivalents as per Statement of Cash Flow:

(Amount in ₹)

		As at	
		31/03/2019	31/03/2018
Closing Cash and Cash Equivalents	'8'	52,923	340,443
Adjustment in Closing Cash and Cash Equivalents		-	-
Balance as per Statement of Cash Flow		**52,923**	**340,443**

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Renukeshwar Investments & Finance Limited

Anil Malik
DIN: 00170411

D C Kabra
DIN: 00579509

RENUKESHWAR INVESTMENTS & FINANCE LIMITED

Notes forming part of the Financial Statements

1. **Company Overview:**

Renukeshwar Investments & Finance Limited ("the Company") was incorporated on October 24, 1994 having its registered office at Hindalco Industries Limited, Renukoot, Sonebhadra, Uttar Pradesh, 231217.

The Company is a wholly owned subsidiary of Hindalco Industries Limited, a public limited company whose equity shares are listed on the Indian Stock Exchanges (National Stock Exchange and Bombay Stock Exchange) and GDRs are listed on the Luxemburg Stock Exchange.

2. **Basis of Preparation and Significant Accounting Policies:**

I. **Basis of Preparation:**

The financial statements of Renukeshwar Investments & Finance Limited ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India. The financial statements for the year ended March 31, 2019 have been approved by the Board of Directors of the Company in their meeting held on April 22, 2019.

The financial statements have been prepared under the historical cost convention on accrual basis except for financial instruments, which have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

In preparing the financial statements in conformity with Ind-AS requires management to make estimates and assumptions that affect reported Amount of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the Amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period in which the same is determined.

The financial statements are presented in Indian Rupees (INR/₹) which is the Functional Currency of the Company.

II. **Significant Accounting Policies:**

A. **Financial Instruments**

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value.

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Equity Instruments

The Company's investment in equity instruments is strategic in nature and has been held for a substantial period of time. The company does not acquire equity instruments for the purpose of selling in the near term for short term profit taking. The company has therefore made an irrevocable election to measure equity instruments at Fair Value through Other Comprehensive Income (FVTOCI).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings. For equity instruments measured at fair value through other comprehensive income no impairments are recognized in the statement of profit and loss.

Dividends on these investments in equity instruments are recognized in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Debt Instruments

The Company's primary objective of the investment in the mutual fund is to maximize yield while maintaining liquidity to meet business fluctuations/opportunities. The company has therefore decided to measure debt instruments at Fair Value through Profit and Loss (FVTPL).

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs. These are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in the statement of profit and loss as 'Gains/ loss on financial Instruments measured at FVTPL'. Periodical income or interest and gain and loss on sale/ transfer on derecognition of debt instruments at FVTPL is included in the statement of profit and loss as net gain or loss.

B. **Fair Value Measurement**

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

C. **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

RENUKESHWAR INVESTMENTS AND FINANCE LIMITED

CHARTERED ACCOUNTANTS

D. **Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of Amount expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognized on differences between the carrying Amount of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. the Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Current and deferred tax for the period

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

E. **Revenue Recognition**

Interest, Dividend and other income on investments is accounted for when the right to receive the payment is established. The Amount where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.
Revenue excludes taxes that are collected on behalf of Government Authorities.

F. **Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. In case of litigation, the Company may entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

3. Measurement of fair value

A Financial instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

B Marketable and non-marketable equity securities

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models.

4. Critical accounting judgment and key sources of estimation uncertainty:

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

(a) **Taxes**

The Company calculates income tax expense based on income reported. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures all of which may be uncertain. Economic conditions may change and lead to a different conclusion regarding recoverability. Tax authorities may challenge the Company's computation of tax payable from prior periods. Such process may lead to changes to prior periods taxable income, resulting in change to income tax expenses in the period of change.

(b) **Recoverability of advances/ receivables**

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factor.

(c) **Fair value measurements**

the Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(d) Contingent assets and liabilities, uncertain assets and liabilities

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether the Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of Amount, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

5. Non-Current Investments:

(Amount in ₹)

	Face value per Unit	Numbers - As at 31/03/2019	Numbers - As at 31/03/2018	Value - As at 31/03/2019	Value - As at 31/03/2018
Quoted Investments					
Investment in Equity Instruments (Fully paid-up)					
National Aluminium Company Limited	₹ 5	12,814,264	12,814,264	710,550,939	851,507,843
				710,550,939	851,507,843

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of Investments are given below:

	31/03/2019	31/03/2018
Aggregate cost of quoted investments	190,188,080	190,188,080
Aggregate market value of quoted investments	710,550,939	851,507,843
Aggregate cost of unquoted investments	-	-
Aggregate amount of impairment in value of Investments	-	-

6. Deferred Tax:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
(a). Deferred Tax Assets (Net)		
Deferred Tax Assets	28,423,554	12,147,846
Less: Deferred Tax Liabilities	-	-
	28,423,554	12,147,846
(b). Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities	-	-
Less: Deferred Tax Assets	-	-
	-	-

(c). Major components of Deferred Tax Assets/ Liabilities (Net) arising on account of temporary timing differences and movement therein are given below:

(Amount in ₹)

	Deferred Tax Assets (Net) FV of Financial Instruments		Deferred Tax Liabilities (Net) FV of Financial Instruments	
	Year ended 31/03/2019	Year ended 31/03/2018	Year ended 31/03/2019	Year ended 31/03/2018
Deferred Tax Assets:				
As at beginning	12,147,846	-	-	-
MAT Credit Utilised	(954,640)	-	-	-
Recognised in Statement of Profit and Loss	2,570,830	(2,911,477)	-	-
Recognised in OCI	14,659,518	15,059,323	-	-
As at the end	28,423,554	12,147,846	-	-
Deferred Tax Liabilities:				
As at beginning	-	-	-	2,961,132
Recognised in Statement of Profit and Loss	-	-	-	(2,961,132)
Recognised in OCI	-	-	-	-
As at the end	-	-	-	-
Deferred Tax Assets/ (Liabilities) (Net)	28,423,554	12,147,846	-	-

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

(d). Unrecognised Deferred Taxes

The Company has not recognised deferred tax assets and tax credits for certain items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. The details of such items and its period of expiry are given below:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
i. Unrecognised Deferred Tax Assets:		
Long-term Capital losses	2,792,931	3,104,564
Period of expiry	FY 2020-25	FY 2020-25
ii. Unused Tax Credits:		
MAT Credit	2,278,488	3,233,128
Period of expiry	FY 2027-28	FY 2022-28

RENUKESHWAR INVESTMENTS AND FINANCE LIMITED

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Notes forming part of the Financial Statements

7. Current Investments:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Quoted Investments		
Investment in Mutual Funds:		
Aditya Birla Sun Life Mutual Funds	54,025,447	149,767,652
Baroda Pioneer Mutual Funds	-	15,068,648
DHFL Premerica Mutual Funds	-	16,779,010
IDFC Mutual Funds	20,031,096	19,314,210
	74,056,543	200,929,520

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

	31/03/2019	31/03/2018
Aggregate cost of quoted investments	66,176,359	185,054,870
Aggregate market value of quoted investments	74,056,543	200,929,520
Aggregate cost of unquoted investments	-	-
Aggregate amount of impairment in value of Investments	-	-

8. Cash and Cash Equivalents:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Balance with Banks - Current Accounts	52,754	340,074
Cash on hand	169	369
	52,923	340,443

(a). There are no repatriation restrictions with regard to cash and cash equivalents.

9. Other Financial Assets:

(Unsecured, considered good unless otherwise stated)

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Dividend Accrued	57,664,188	-
Other Receivable (MF redemption proceeds receivable)	-	-
	57,664,188	-

10. Current Tax Assets (Net):

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Current Tax Assets (Net):		
Advance Tax Assets (Net)	32,229	92,589
	32,229	92,589

11. Equity Share Capital:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Authorized:		
4,995,000 (31/03/2018: 4,995,000) Equity Shares of ₹ 10/- each	49,950,000	49,950,000
500 (31/03/2018: 500) Redeemable Cumulative Preference Shares of ₹ 100/- each	50,000	50,000
	50,000,000	50,000,000
Issued, Subscribed and Paid-up:		
4,795,000 (31/03/2018: 4,795,000) Equity Shares of ₹ 10/- each - (a)	47,950,000	47,950,000
	47,950,000	47,950,000

(a). Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

	Year ended 31/03/2019		Year ended 31/03/2018	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Equity Shares outstanding at the beginning of the period	4,795,000	47,950,000	4,795,000	47,950,000
Equity Shares outstanding at the end of the period	4,795,000	47,950,000	4,795,000	47,950,000

(b). Rights, Peferences and Restrictions attached to Equity Shares:
The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential Amount, in proportion to their shareholding.

RENUKESHWAR INVESTMENTS AND FINANCE LIMITED (c). Details of shareholders holding more than 5% Equity Shares in the Company on reporting date:

	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	**Percentage of Holding**	**Numbers of Shares held**	**Percentage of Holding**
Hindalco Industries Limited and its nominees	4,795,000	100.00%	4,795,000	100.00%

(d). The Company during the preceding 5 years:
 i. Has not allotted shares pursuant to contracts without payment received in cash.
 ii. Has not issued shares by way of bonus shares.
 iii. Has not bought back any shares.

12. Other Equity:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Reserve and Surplus		
Capital Redemption Reserve	15,000	15,000
Retained Earnings	272,698,276	340,638,755
	272,713,276	340,653,755
Other Reserves		
Equity Instruments Fair Value through OCI	550,081,700	676,379,086
	550,081,700	676,379,086
	822,794,976	1,017,032,841

(a). Brief description of items of other equity are given below:

i. **Capital Redemption Reserve**

This is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares. The provisions relating to the capital redemption reserve are set out in section 69 of the Companies Act, 2013.

ii. **Retained Earnings**

Amount of retained earnings represents accumulated profit and losses of the company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI.

iii. **Equity Instruments Fair Value through OCI**

The Company has elected to recognise changes in the fair value of investments in equity securities through other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognised.

(b). Movement of each item of other equity is presented in the Statement of Changes in Equity.

13. Trade Payables:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Trade Payables	32,400	32,400
	32,400	32,400

14. Other Current Liabilities:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Interiem Dividend Payables (incl. Dividend Distribution Tax)	-	-
Advance received from Customer/Hindalco(Sundry Creditors)	-	-
Statutory dues Payables	3,000	3,000
	3,000	3,000

15. Other Income:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Income	-	-
Dividend Income		
On Non-current Investments	70,478,452	60,227,041
On Current Investments	92,724	1,096,063
Gains/(losses) on Financial Assets measured at fair value through Profit and Loss (Net)		
On sale of Financial Assets FVTPL	13,755,819	363,943
On change in fair value of of Financial Assets FVTPL	(7,994,267)	5,610,206
	76,332,728	67,297,253

RENUKESHWAR INVESTMENTS AND FINANCE LIMITED

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16. **Finance Costs:**

	Year ended 31/03/2019	Year ended 31/03/2018
		(Amount in ₹)
Interest Expenses - (a)		162,831
	-	162,831

(a). Includes interest paid to income tax department ₹ Nil (31/03/2018: ₹ 162,831)

17. **Other Expenses:**

	Year ended 31/03/2019	Year ended 31/03/2018
		(Amount in ₹)
Rates and Taxes	5,454	2,431
Payments to Auditors:		
Statutory Audit Fees	51,625	29,500
Taxation Matters	5,900	18,936
Reimbursement of expenses		3,600
Miscellaneous Expenses	40,399	12,588
	103,378	67,055

18. **Income Tax Expenses:**

The Company's income tax expenses and effective tax rate reconciliation given below:

(a). **Amount recognised in Statement of Profit and Loss**

	Year ended 31/03/2019	Year ended 31/03/2018
		(Amount in ₹)
i. **Current Tax**		
Current tax on profits for the year	2,225,000	1,275,000
Adjustments for current tax of prior periods (Net)	-	1,315,661
Total current tax expenses	2,225,000	2,590,661
ii. **Deferred Tax**		
Deferred Tax for the year	(1,721,047)	(49,655)
MAT Credit Entitlement	(849,783)	-
Tax adjustments for earlier years (Net)	-	-
Total deferred tax expenses	(2,570,830)	(49,655)
Total Income Tax Expenses	(345,830)	2,541,006

(b). **Reconciliation of Effective Tax Rate**

	Year ended	
	31/03/2019	31/03/2018
		(Amount in ₹)
Profit before Tax	76,229,350	67,067,367
Statutory Income Tax Rate applicable to the Company	26.0000%	27.5525%
Tax expenses using applicable income tax rate	19,819,631	18,478,736
Tax effect of adjustments to reconcile income tax expenses:		
Expenses not deductible in determining taxable profit	26,879	18,475
Income exempt from tax (Dividends)	(18,348,506)	(16,896,048)
Difference in tax rates	(1,843,834)	(375,818)
Adjustments pertaining to prior years	-	1,315,661
Income Tax Expenses recognised in the Statement of Profit and Loss	(345,830)	2,541,006

19. **Other Comprehensive Income:**

The disaggregation of changes to other comprehensive income (OCI) by each class is given below:

	Year ended 31/03/2019	Year ended 31/03/2018
		(Amount in ₹)
(a). **Items that will not be reclassified to Profit and Loss**		
Change in fair value of equity instruments FVTOCI	(140,956,904)	(128,783,353)
Income tax effect on above	14,659,518	15,059,323
	(126,297,386)	(113,724,030)
(b). **Items that will be reclassified to Profit and Loss**		
Change in fair value of debt instruments FVTOCI		-
Income tax effect on above	-	-
	-	-
Total Other Comprehensive Income	(126,297,386)	(113,724,030)

RENUKESHWAR INVESTMENTS AND FINANCE LIMITED

20. Earnings per Share (EPS):

	Year ended 31/03/2019	Year ended 31/03/2018
		(Amount in ₹)
Profit for the period (As per Statement of Profit and Loss)	76,575,180	64,526,361
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of equity shares for basic EPS	4,795,000	4,795,000
Dilutive potential equity shares	-	-
Weighted average number of equity shares for diluted EPS	4,795,000	4,795,000
Face value of per equity share	10.00	10.00
Earnings per Share:		
Basic EPS	15.97	13.46
Diluted EPS	15.97	13.46

21. Impairment Loss:

The Company has carried out impairment test of assets and find that there is no impairment loss during the year.

22. The provision of Corporate Social Responsibility under Section 135 of the Companies Act 2013 is not required to the Company as the Company does not fall in the applicability criteria set out in the Act.

23. Financial Instruments:

A. Fair Value Measurements

(a). The following table shows the carrying amount and fair values of financial assets and financial liabilities by category.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	-	710,550,939	-	-	851,507,843	-
Investments in Debt Instruments						
Mutual Funds	-	-	74,056,543	-	-	200,929,520
Cash and Cash Equivalents						
Cash and Bank*	52,923	-	-	340,443	-	-
Total Financial Assets	52,923	710,550,939	74,056,543	340,443	851,507,843	200,929,520
Financial Liabilities						
Trade Payables*	32,400	-	-	32,400	-	-
Total Financial Liabilities	32,400	-	-	32,400	-	-

* Fair values for these financial instruments have not been disclosed because their carrying Amount are a reasonable approximation of their fair values.

(b). Financial income by financial instruments category wise given below:

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Interest Income	-	-	-	-	-	-
Dividend Income	-	70,478,452	92,724	-	60,227,041	1,096,063
	-	70,478,452	92,724	-	60,227,041	1,096,063

B. Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	710,550,939	-	-	851,507,843	-	-
Investments in Debt Instruments						
Mutual Funds	74,056,543	-	-	200,929,520	-	-
Total Financial Assets	784,607,482	-	-	1,052,437,363	-	-

Level 1 - This hierarchy includes financial instruments valued using quoted market prices. Listed equity intruments and traded debt instruments which are traded in the stock exchanges are valued using the closing at the reporting date. Mutual funds are valued using the closing NAV.

Level 2 - This hierarchy includes financial instruments that are not traded in active market. This includes debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2.

Level 3 - If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants. Valuations for certain derivatives for which forward prices are not observable, have valued using forward prices for a nearby geographical market and adjusted for historical spreads between cash prices of the two the markets.

24. Financial Risk Management:

The Company's activities exposes it to various risks such as Market risk, Credit risk and Liquidity risk. This section explains the risks which the Company is exposed to and how it manages the risks.

(a). Market Risk

The Company's exposure to equity securities price risk arises from movement in market price of related securities classified either as fair value through OCI or as fair value through statement of profit and loss. The Company manages the price risk through diversified portfolio as well as regular monitoring of share prices.

The table below summarizes the impact of increase/ decrease in the equity share prices on the Company's equity and profit for the period.

(Amount in ₹)

		31/03/2019		31/03/2018	
	Change in Rate/Price	Change in Statement of Profit and Loss	Change in Other Components of Equity	Change in Statement of Profit and Loss	Change in Other Components of Equity
Investment in Equity securities	10%	-	71,055,094	-	85,150,784

(b). Credit Risk

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

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

(c). Liquidity Risk

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments.

Maturity Analysis

The table below shows the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The Amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in ₹)

	< 1 Year	1-2 Years	2- 5 Years	> 5 Years	Total
Contractual maturities of financial liabilities as at March 31, 2019					
Trade payables	32,400	-	-	-	32,400
Other financial liabilities	-	-	-	-	-
	32,400	-	-	-	32,400
Contractual maturities of financial liabilities as at March 31, 2018					
Trade payables	32,400	-	-	-	32,400
Other financial liabilities	-	-	-	-	-
	32,400	-	-	-	32,400

25. Offsetting Financial Assets and Financial Liabilities:

The following table presents the financial assets and financial liabilities subject to offsetting, enforceable master netting arrangement and similar arrangement.

(Amount in ₹)

	Effects on Balance sheet			Related Amount not offset		
	Gross Amount	Gross amount set off in the balance sheet	Net amount in the balance sheet	Amount subject to master netting	Financial Instrument collateral	Net Amount
As at March 31, 2019:						
Financial Assets						
Cash and cash equivalents	52,923	-	52,923	-	-	52,923
Other financial assets	57,664,188	-	57,664,188	-	-	57,664,188
Total Financial Assets	57,717,111	-	57,717,111	-	-	57,717,111
Financial Liabilities						
Trade Payables	32,400	-	32,400	-	-	32,400
Other financial Liabilities	-	-	-	-	-	-
Total Financial Liabilities	32,400	-	32,400	-	-	32,400
As at March 31, 2018:						
Financial Assets						
Cash and cash equivalents	340,443	-	340,443	-	-	340,443
Other financial assets	-	-	-	-	-	-
Total Financial Assets	340,443	-	340,443	-	-	340,443
Financial Liabilities						
Trade Payables	32,400	-	32,400	-	-	32,400
Other financial Liabilities	-	-	-	-	-	-
Total Financial Liabilities	32,400	-	32,400	-	-	32,400

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Notes forming part of the Financial Statements

26. **Segment Information:**

In accordance with Ind AS 108, Operating Segment used to present the segment information are identified on the basis of internal report used by the Company's management to allocate resources to the segment and assess their performances. The Board of the directors of the Company is collectively Chief Operating Decision Maker (CODM). The Company's activities comprising of Renting of Immovable Property and Investment Activity are in one single reportable segment and also are in one geographical segment (within India). Therefore, there is no other significant class of operating segment or geographical segment.

27. **Related Party Transactions:**

Hindalco Industries Limited is the Parent of the Company. However, there are no transactions carried out and balances outstanding with the parent in the ordinary course of business by the Company.

(a). Transactions

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
i. **Dividend paid**		
Interim Dividend paid	119,875,000	-
(b). **Balances outstanding**		
i. **Dividend payable**		
Interim Dividend payable	-	-

28. Previous period figures have been reclassified wherever required to conform to the presentation of current period.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Renukeshwar Investments & Finance Limited

Anil Malik
DIN: 00170411

D C Kabra
DIN: 00579509

Price Waterhouse & Co Chartered Accountants LLP

Independent auditor's report

To the Members of Suvas Holdings Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Suvas Holdings Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss(including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. 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("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, 2019, total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. 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 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's 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.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Mumbai

Price Waterhouse & Co Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park Nesco Complex, Gate No. 3 Western Express Highway, Goregaon East, Mumbai – 400 063
T: +91 (22) 61198000, F: +91 (22) 61198799

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

Responsibilities of management and those charged with governance for the financial statements

5. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

7. 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.

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

- Identify and assess the risks of material misstatement of the 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Chartered Accountants
FRN 304026E/E-300009
Mumbai

- 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.

9. 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.

10. 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

11. 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 Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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), the statement of Changes in Equity and the Cash Flow Statement 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.

    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

(g) 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 does not have any pending litigations as at March 31, 2019 which would impact its financial position.

ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company does not have long-term derivative contracts as at March 31, 2019.

iii. There were no amounts, which were required to be transferred to the Investor Education, and Protection Fund by the Company during the year ended March 31, 2019.

iv. The reporting on disclosure relating to Specified Bank is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: May 15, 2019

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of Suvas Holdings Limited on the financial statements for the year ended March 31, 2019

Page 1 of 2

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Suvas Holdings Limited ("the Company") as of March 31, 2019 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

2. 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 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.

Auditors' Responsibility

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to 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.

5. 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 with reference to financial statements.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of Suvas Holdings Limited on the financial statements for the year ended March 31, 2019

Meaning of Internal Financial Controls with reference to financial statements

6. 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) 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

7. 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Bansal

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: May 15, 2019

Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Suvas Holdings Limited on the financial statements as of and for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 4 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. 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. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

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LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

ix. In our opinion, and according to the information and explanations given to us, term loan has been applied for the purposes for which it was obtained. Further, no moneys has been raised during the year by the Company by way of initial public offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 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, Related Party Disclosures specified under Section 133 of the Act.

xiv. 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 are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Bansal

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date: May 15, 2019

SUVAS HOLDINGS LIMITED
Balance Sheet as at March 31, 2019
(All Amounts in Rs. unless otherwise specified)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	51,743	33,826
Capital Work-in-Progress	5	364,041,365	337,342,051
Financial Assets			
Others Financial Assets	6(i)	6,567,405	7,034,363
Deferred Tax Assets	7	4,734,785	7,800
Total Non-Current Assets		**375,395,298**	**344,418,040**
Current Assets			
Financial Assets			
(i) Cash and Cash Equivalents	8	9,432,620	11,035,635
(ii) Others Financial Assets	6(ii)	90,000	68,693
Other Current Assets	9	254,496	323,110
Income tax assets (net)	10	131,050	59,135
Total Current Assets		**9,908,166**	**11,486,573**
TOTAL ASSETS		**385,303,464**	**355,904,613**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	292,541,040	133,100,660
Other Equity	12	(17,811,649)	(2,680,984)
TOTAL EQUITY		**274,729,391**	**130,419,676**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	77,462,554	212,434,478
Total Non-Current Liabilities		**77,462,554**	**212,434,478**
Current Liabilities			
Financial Liabilities			
(i) Trade Payable			
a) Micro and Small Enterprises (Refer note no. 30)	14	-	-
b) Other than Micro and Small Enterrises	14	81,285	74,543
(ii) Other Financial Liabilities	15	32,395,213	12,552,417
Other Current Liabilities	16	230,779	234,774
Employee Benefit Obligation	17	404,242	188,725
Total Current Liabilities		**33,111,519**	**13,050,459**
TOTAL LIABILITIES		**110,574,073**	**225,484,937**
TOTAL EQUITY AND LIABILITIES		**385,303,464**	**355,904,613**

The accompanying notes are integral part of Balance sheet.

In terms of our report attached.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E- 300009

Vipin R. Bansal
Partner
Membership No. 117753

Place: Mumbai
Date : May 15, 2019

For and on behalf of the Board of Directors

Rajeev Goenka
Director
DIN: 00059346

Place: Mumbai
Date : May 15, 2019

Anil Mallik
Director
DIN: 00170411

Place: Mumbai
Date : May 15, 2019

Ramdas Ganpati Patil
Chief Financial Officer

Place: Mumbai
Date : May 15, 2019

Gaurav Sidhapura
Company Secretary

Place: Mumbai
Date : May 15, 2019

SUVAS HOLDINGS LIMITED
Statement of Profit and Loss for the year ended March 31, 2019
(All Amounts in Rs. unless otherwise specified)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME			
Revenue from Operations		-	-
Other Income	18	546,328	450,630
Total Income		**546,328**	**450,630**
EXPENSES			
Employee Benefits Expense	19	-	-
Depreciation Expense	20	13,795	8,891
Other Expense	21	3,179,509	671,060
Finance Cost	22	18,066,726	-
Total Expenses		**21,260,030**	**679,951**
Profit / (Loss) before Tax		(20,713,702)	(229,321)
Tax Expense:			
(i) Current Tax	23	-	71,540
(ii) Deferred Tax	23	(4,726,985)	(6,202)
(iii) Tax Adjustment of previous years		(56,501)	39,947
Profit / (Loss) after Tax		**(15,930,216)**	**(334,606)**
Other Comprehensive Income / (Loss)		-	-
Total Comprehensive Income/(Loss)		**(15,930,216)**	**(334,606)**
Profit / (Loss) per equity share	25		
[Nominal Value per share : Rs. 10]		10	10
Basic and Diluted in Rupee		(1.02)	(0.03)

The accompanying notes are integral part of Statement of Profit and Loss.

In terms of our report attached.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Vipin R. Bansal
Partner
Membership No. 117753

Place: Mumbai
Date : May 15, 2019

For and on behalf of the Board of Directors

Rajeev Goenka
Director
DIN: 00059346

Place: Mumbai
Date : May 15, 2019

Anil Mallik
Director
DIN: 00170411

Place: Mumbai
Date : May 15, 2019

Ramdas Ganpati Patil
Chief Financial Officer

Place: Mumbai
Date : May 15, 2019

Gaurav Sidhapura
Company Secretary

Place: Mumbai
Date : May 15, 2019

SUVAS HOLDINGS LIMITED
Cash Flow Statement for the year ended March 31, 2019
(All Amounts in Rs. unless otherwise specified)

	Particulars	Year ended March 31, 2019	Year Ended March 31, 2018
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before tax	(20,713,702)	(229,321)
	Adjustment for:		
	Depreciation expense	13,795	8,891
	Interest Income	(422,867)	(429,444)
	Fair Value Gain on liquid Investment	(94,444)	-
	Interest Expenses	18,066,726	-
	Operating Cash Loss before working capital changes	**(3,150,492)**	**(649,874)**
	Adjustment for changes in Working Capital :		
	- Increase in Trade Payables	6,742	7,341
	- Increase in Employee Benefit Obligation	215,517	188,725
	- (Decrease) in Other Financial Liabilities	42,239	(2,916,674)
	- (Decrease) / Increase in Other Current Liabilities	(3,995)	(45,450)
	- Decrease / (Increase) in Other Financial Assets	5,000	(434,264)
	- Decrease / (Increase) in Other Assets	68,614	87,589
	Cash generated from Operations	**(2,816,375)**	**(3,762,607)**
	Direct Taxes Paid (Net)	(15,414)	(111,550)
	Net Cash Outflow from Operating Activities	**(2,831,789)**	**(3,874,157)**
B.	**Cash Flow from Investing Activities**		
	Payments to acquire property, plant and equipment & Capital WIP	(25,200,865)	(75,234,857)
	Interest Received	863,518	515,761
	Net Cash Outflow from Investing Activities	**(24,337,347)**	**(74,719,096)**
C.	**Cash Flow from Financing Activities**		
	Proceeds from issue of equity share capital	159,440,380	50,122,160
	Share Application Money Received	799,551	-
	Loan Received from Holding Company	104,413,180	-
	Loan Received from fellow Subsidiary	242,756,560	-
	Loan repaid to fellow Subsidiary	(242,756,560)	-
	Proceeds of Term Loan from Banks	28,100,000	36,114,708
	Payment of Term Loan from Banks	(249,214,708)	-
	Interest paid	(18,066,726)	-
	Net Cash inflow from Financing Activities	**25,471,677**	**86,236,868**
	Net Increase / (decrease) in Cash and Cash equivalents	**(1,697,460)**	**7,643,615**
	Cash and Cash Equivalents at the beginning of the year	11,035,635	3,392,020
	Cash and Cash Equivalents at the end of the year	**9,338,176**	**11,035,635**

Cash and Cash Equivalents comprise:	**As at March 31, 2019**	**As at March 31, 2018**
Cash on hand	53,042	63,326
Investment in Liquid Mutual Fund	7,620,341	-
Balances with Banks		
- In Fixed Deposits	-	
-In current accounts	1,664,793	10,972,309
Cash and Cash Equivalents before Fair Value Gain/ (Loss) on liquid Investment	**9,338,176**	**11,035,635**
Add: Fair Value Gain/ (Loss) on liquid Investment	**94,444**	**-**
Closing Cash and Cash Equivalents (Refer note no. 8)	**9,432,620**	**11,035,635**

The accompanying notes are integral part of Cash Flow Statement.

In terms of our report attached.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Vipin R. Bansal
Partner
Membership No. 117753

Place: Mumbai
Date : May 15, 2019

For and on behalf of the Board of Directors

Rajeev Goenka
Director
DIN: 00059346

Place: Mumbai
Date : May 15, 2019

Anil Mallik
Director
DIN: 00170411

Place: Mumbai
Date : May 15, 2019

Ramdas Ganpati Patil
Chief Financial Officer

Place: Mumbai
Date : May 15, 2019

Gaurav Sidhapura
Company Secretary

Place: Mumbai
Date : May 15, 2019

SUVAS HOLDINGS LIMITED
Statement of Changes in Equity for the half year ended March 31, 2019
(All Amounts in Rs. unless otherwise specified)

A. Equity Share Capital

Balance at the April 01, 2018	133,100,660
Changes in the Equity Share Capital during the period on account of shares issued	159,440,380
Balance at the March 31, 2019	**292,541,040**

B. Other Equity

Particulars	Share Application Money Pending Allotment	Retained Earnings / (Accumulated Deficit)	Total
Balance as at April 01, 2018	-	**(2,680,984)**	**(2,680,984)**
(a) Profit / (Loss) for the year	-	(15,930,216)	(15,930,216)
(b) Share application money received during the year, pending allotment	799,551	-	799,551
Total changes	799,551	(15,930,216)	(15,130,665)
Balance at the March 31, 2019	**799,551**	**(18,611,200)**	**(17,811,649)**

Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital

Balance at the April 01, 2017	82,978,500
Changes in the Equity Share Capital during the year on account of shares issued	50,122,160
Balance as at March 31, 2018	133,100,660

B. Other Equity

Particulars	Retained Earnings / (Accumulated Deficit)	Total
Balance at the April 01, 2017	**(2,346,377)**	**(2,346,377)**
(a) Profit / (Loss) for the year	(334,606)	(334,606)
Total comprehensive loss for the year	**(334,606)**	**(334,606)**
Balance as at March 31, 2018	**(2,680,984)**	**(2,680,984)**

The accompanying notes are integral part of the Statement of Changes in Equity.

In terms of our report attached.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Vipin R. Bansal
Partner
Membership No. 117753

Place: Mumbai
Date : May 15, 2019

For and on behalf of the Board of Directors

Rajeev Goenka
Director
DIN: 00059346

Place: Mumbai
Date : May 15, 2019

Anil Mallik
Director
DIN: 00170411

Place: Mumbai
Date : May 15, 2019

Ramdas Ganpati Patil
Chief Financial Officer

Place: Mumbai
Date : May 15, 2019

Gaurav Sidhapura
Company Secretary

Place: Mumbai
Date : May 15, 2019

SUVAS HOLDINGS LIMITED
Notes annexed to and forming part of the Financial Statements

1. Corporate Information

Suvas Holding Limited is a Company formed and registered under the Companies Act, 1956. The company's identification number is U40300MH2000PLC128785. Company is a subsidiary company of Hindalco Industries Ltd, which holds 74% equity shares of the Company. The main object of the Company is generation of hydel power and accordingly company is setting up a project for generation of Hydel Power, (Temghar Hydel Power Project) which is under progress (Refer Note 5).

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

A. Basis of Preparation

a Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, since this company is a subsidiary of another company to which these standards are applicable.

b Historical Cost Convention

The financial statements have been prepared on historical cost basis except certain financial assets and liabilities are measured at fair value.

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis". Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

c Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements, which in management's opinion are prudent and reasonable. Actual results may differ from these estimates.

d Critical accounting estimates:

Useful lives of property, plant and equipment

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end.

B Summary of significant accounting policies:

a. Property Plant and Equipment

Tangible Assets

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain Building, furniture and fixture, and office equipment's, the shorter lease term as follows:

Particulars	Useful life
Buildings (Temporary)	3 years
Furniture and Fixture	10 years
Office Equipment's	5 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Intangible Assets

All intangible assets are measured at cost and amortized so as to reflect the pattern in which the assets' economic benefits are consumed. Software capitalised is amortised over useful life of three to five years equally commencing from the year in which, the software is put to use.

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b. Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

c. Leases

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

d. Financial Instruments

Financial Assets

(i) Classification: The Company classifies its financial assets in the following measurement **categories:**

a) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

b) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement: At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at Fair value through the profit and loss are expensed in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset, or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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e. Foreign Currency Transactions

i) Functional Currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the financial currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on nonmonetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as at FVOCI are recognised in other comprehensive income.

f. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

g. Employee benefits

• Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

• Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the treated are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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h. Revenue Recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue is measured at the fair value of the consideration received or receivable. Revenue from Power Supply is recognised in accordance with the tariff provided in respective Power Purchase Agreements (PPAs) or on the basis of the contracted rates.

i. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

The Company may incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. The Company does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use.

j. Taxation

Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it is has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

k. Provisions

Provisions are recognised 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.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

l. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

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Notes annexed to and forming part of the Financial Statements

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

n. Earnings Per Share
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earing per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

o. Cash and Cash Equivalents
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3 Recent Accounting Pronouncements
Standards issued but not yet effective

Ind AS 116, Leases
Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.
Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.
Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.
The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, 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.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendments to Ind AS 12 Income taxes.

Previously, it was unclear whether the income tax consequences of dividends of financial instruments classified as equity should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous. In particular, whether the requirements in paragraph 57A (paragraph 52B before the amendments were made) apply only in the circumstances described in paragraph 52A (for example, when there are different tax rates for distributed and undistributed profits), or whether those requirements apply as long as payments on financial instruments classified as equity are distributions of profit.

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. The reason for the income tax consequences of dividends should not affect where those income tax consequences are recognised. It does not matter whether such consequences arise, for example, because of different tax rates for distributed and undistributed profits or because of the deductibility of dividends for tax purposes. This is because, in both cases, the income tax consequences arise from the distribution of profits.

This shall apply those amendments for annual reporting periods beginning on or after 1 April 2019.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

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(All Amounts in Rs. unless otherwise specified)

4 Property, Plant and Equipment

Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	Up to April 01, 2018	Additions During the year	Disposal/ Adjustments During the year	Up to March 31, 2019	As at March 31, 2019	As at April 01, 2018
Buildings	226,546	-	-	226,546	207,355	12,121	-	219,476	7,070	19,191
Furniture and Fixture	18,100	-	-	18,100	11,088	1,815	-	12,903	5,197	7,012
Office Equipment	88,610	45,649	-	134,259	80,987	13,796	-	94,783	39,476	7,623
Total	333,256	45,649	-	378,905	299,430	27,732	-	327,162	51,743	33,826

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4 Property, Plant and Equipment

Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	Up to April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	Up to March 31, 2018	As at March 31, 2018	As at April 01, 2017
Buildings	226,546	-	-	226,546	174,454	32,901	-	207,355	19,191	52,092
Furniture and Fixture	18,100	-	-	18,100	8,638	2,450	-	11,088	7,012	9,462
Office Equipment	88,610	-	-	88,610	72,029	8,958	-	80,987	7,623	16,581
Total	333,256	-	-	333,256	255,121	44,309	-	299,430	33,826	78,135

a. All the immovable properties, movable assets (including movable machinery, machinery spares, tools and accessories therein) both present and future, pertaining to the Temghar Hydel Power Project are hypothecated against the Term Loan taken by the Company.

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5 Capital Work-in-Progress

	As at March 31, 2019	As at March 31,2018
Carrying amount at the beginning of the year	337,342,051	262,071,776
Addition during the year	26,699,314	75,270,275
Capitalised during the year	-	-
Carrying amount at the end of the year	364,041,365	337,342,051

Capital work in progress includes capital expenditure related to Power plant of Temghar HEP. Till date, testing of the power plant, installation of transmission lines from Plant to connectivity grid and startup power approval from MSEDCL has completed.
The Company in the process of obtaining certain other necessary approvals for the plant to be ready for use.

6 Other Financial Assets

(i) Other Financial Assets : Non-Current

	As at March 31, 2019	As at March 31,2018
Security Deposits - Deposited with Sales Tax Authorities	-	5,000
Term Deposit with more than 12 months maturity [Refer note 'a' below']	6,567,405	7,029,363
	6,567,405	7,034,363

a. Held as margin money : Rs. 6,290,000 (As at March 31, 2018: Rs. 6,290,000) by Central Bank of India for issuing Bank Guarantee in favour of Govt. of Maharashtra Irrigation Deptt.

(ii) Other Financial Assets : Current

	As at March 31, 2019	As at March 31,2018
Other Receivables	90,000	68,693
	90,000	68,693

7 Deferred Tax Assets

	As at March 31, 2019	As at March 31,2018
Deferred Tax Assets		
PP&E Depreciation	37,436	7,800
Carrying Value of CWIP	4,697,349	-
Total Deferred Tax Liability	4,734,785	7,800
Deferred Tax Liabilities	-	-
Net Deferred Tax Assets	4,734,785	7,800

8 Cash and Cash Equivalents

	As at March 31, 2019	As at March 31,2018
Cash on hand	53,042	63,326
Balances with Banks		
-In current accounts	1,759,237	10,972,309
Short-Term Liquid Investment in Mutual Funds	7,620,341	-
	9,432,620	11,035,635

a There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

9 Other Current Assets

	As at March 31, 2019	As at March 31,2018
Advances to Suppliers	2,988	63,135
Prepaid Expenses	251,508	259,975
	254,496	323,110

10 Income tax assets (net)

	As at March 31, 2019	As at March 31,2018
Advance tax (net of Provision Rs. 71,540/- (March 31, 2018: Rs. 359,774/-)	131,050	59,135
	131,050	59,135

11 Equity Share Capital

	As at March 31, 2019	As at March 31,2018
Authorized Share Capital		
36,000,000 (As at March 31, 2018 : 14,000,000) equity shares of Rs. 10 each	360,000,000	140,000,000
	360,000,000	140,000,000
Issued, Subscribed and Paid up Share Capital		
29,254,104 (As at March 2018 :13,310,066) equity shares of Rs. 10 each fully paid up	292,541,040	133,100,660
	292,541,040	133,100,660

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a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period

	Year ended March 31,2019		Year ended March 31,2018	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	13,310,066	133,100,660	8,297,850	82,978,500
Issued during the year	15,944,038	159,440,380	5,012,216	50,122,160
Outstanding at the end of the year	29,254,104	292,541,040	13,310,066	133,100,660

b. Terms/ rights attached to equity shares:-

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company.

c. Details of shareholders more than 5% of the aggregate shares in the Company and shares held by Holding Company:-

	As at March 31, 2019			As at March 31, 2018		
Name of Shareholder	**%age**	**Nos.**	**Rs.**	**%age**	**Nos.**	**Rs.**
Hindalco Industries Ltd.& its Nominees (Holding Co.)	74	21,647,810	216,478,100	51	6,788,134	67,881,340
Laxmi Organic Industries Ltd & its Nominees	-	-	-	49	6,521,932	65,219,320
Rajeev Goenka	19.5	5,704,730	57,047,300	-	-	-
Ravi Goenka	6.5	1,901,564	19,015,640	-	-	-

12 Other Equity

	As at March 31, 2019	As at March 31,2018
Retained Earnings / (Accumulated Deficit) [Refer note 'a' below]	(18,611,200)	(2,680,984)
Share application money received during the year, pending allotment	799,551	-
	(17,811,649)	(2,680,984)

a. Retained Earnings / (Accumulated Deficit)

	As at March 31, 2019	As at March 31,2018
Opening Balance	(2,680,984)	(2,346,377)
Net (Loss)/Profit for the year	(15,930,216)	(334,606)
Closing Balance	(18,611,200)	(2,680,984)

13 Borrowings

Secured, at Amortised Cost

	Maturity Date	Coupon Rate	As at March 31, 2019	As at March 31,2018
Term Loans				
From Banks [Refer note 'a' below]	June 30,2029	Axis Bank Base Rate + 150 bps	-	194,200,000
From Banks [Refer note 'a' below]	June 30,2029	MCLR + 240 bps	-	26,914,708
Total Borrowings			-	221,114,708
Less : Current maturities of Long-Term Borrowings (Refer Note 15)			-	8,680,230
			-	212,434,478
Unsecured Loans				
Intercorporate Loans from related party (refer Note no 24) (refer note 'b' below)	March 31,2022	Axis bank 1 year MCLR+240 bps	104,413,180	-
Less : Current maturities of Long-Term Borrowings (Refer Note 15)			26,950,626	-
			77,462,554	-
			77,462,554	212,434,478

a. Term Loan (RTL facilities) from banks carries floating interest at Axis Bank Base Rate + 150 bps for Old and for new loan sanctioned during the year at MCLR plus +240 bps. Term loan is repayable in 44 re-structured revised quarterly installments as per the agreed repayment schedule and will be commenced from September 30, 2018. The repayment towards outstanding loan in each financial year in percentage is 3.51,5.52,6.52,7.00,7.52,8.52,10.00,10.52,12.00,13.00,13.00 and 2.89 of the loan amount. The loan is secured by (a) Exclusive charge by way of hypothecation of all the borrower's movable assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future intangible, goodwill, uncalled capital, present and future; (b) exclusive charge on all book debts, operating cash flows, receivables, commissios, revenues of whatsoever nature and wherever arising including CDM/REC revenue, MNRE Subsidy, of the borrowers, present and future; (c) Exclusive charge on the Escrow Account, Debt Service Reserve Account and; (d) Exclusive charge by way of assignment/hypothecation or creation of security interest of- (i) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents (including but not limited to Power Purchase Agreements(PPA) Memorandum of Understanding (MOU) for sale of power, Package / Construction contracts, O&M related agreements, Land Sale/Lease Agreements, Service contracts etc.) all as amended, varied or supplemented from time to time. The assignments shall be duly acknowledged consented by the relevant counter parties if required as per the relevant Project Document; (ii) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in the permits, approvals and clearances pertaining to the Projects; (iii) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents; and(iv) All insurance contracts / insurance proceeds; (e) Corporate guarantees of Hindalco Industries Ltd. and Laxmi Organic Industries Ltd. on several basis (f) Personal Guarantee of following promoters; Mr. Rajeev Vasudeo Goenka Mr Ravi Vasudeo Goenka. Personal Guarantee of Promoters shall fall off post COD.
During the year ended March 31, 2019, the company has repaid the entire Loan.

b. During the year Company received unsecured Loan from Holding Comapany carries floating interest at Axis Bank Base Rate + 240 bps. This loan is repayable in 10 installments as per the agreed repayment schedule and will be commenced from December 31, 2019. The Quterly repayment towards outstanding loan in percentage is 13,13,10,10,10,10,9,9,9, and 9 of the loan amount.

14 Trade Payable

	As at March 31, 2019	As at March 31,2018
Trade Payables		
Micro and Small Enterprises (Refer note no. 30)	-	-
Other than Micro and Small Enterprises	81,285	74,543
	81,285	74,543

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SUVAS HOLDINGS LIMITED

Notes annexed to and forming part of the Financial Statements

(All Amounts in Rs. unless otherwise specified)

15 Other Current Financial Liabilities

	As at March 31, 2019	As at March 31,2018
Capital Creditors [Refer note 'a' below']	5,281,787	3,751,626
Current maturities of Long-Term Borrowings (Refer Note 13)	26,950,626	8,680,230
Others	162,800	120,561
	32,395,213	12,552,417

Capital creditors includes an amount of Rs. 41,88,058 (Previous year Rs. 13,89,153) payable to Contractors towards retention money pursuant to the Contract for construction of hydel power project and supply of Plant Machinery.

16 Other Current Liabilities

	As at March 31, 2019	As at March 31,2018
Statutory Dues Payable	230,779	234,774
	230,779	234,774

17 Employee benefit obligation

	As at March 31, 2019	As at March 31,2018
(i) Current portion of Employee benefit obligation		
Employee Benefit Payble	404,242	188,725
	404,242	188,725

18 Other Income

	Year Ended March 31, 2019	Year ended March 31,2018
Interest Income [Refer note 'a' below']	425,987	429,444
Other Non-Operating Income	120,341	21,186
	546,328	450,630

a. Includes Rs. 4,22,867 (Previous year : Rs. 429,444) towards interest income on term deposits and Rs. 3,120 (Previous Year : Rs Nil) towards Interest on Income Tax Refund.

19 Employee Benefits Expense

	Year Ended March 31, 2019	Year ended March 31,2018
Salaries and Bonus	2,447,556	2,267,986
Leave Entitlement	39,234	27,772
Staff Welfare expenses	78,469	10,655
	2,565,259	2,306,413
Less: Transfer to Capital work in Progress	2,565,259	2,306,413
	-	-

20 Depreciation Expense

	Year Ended March 31, 2019	Year ended March 31,2018
Depreciation on Property, Plant and Equipment	27,732	44,309
	27,732	44,309
Less: Transfer to Capital work in Progress	13,937	35,418
	13,795	8,891

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21 Other Expense

	Year Ended March 31, 2019	Year ended March 31,2018
Generator runing cost and expenses	260,648	204,455
Electricity Expenses	52,440	-
Fabrication Charges	-	244,725
Repair and Maintenance-Others	152,800	-
Rates and Taxes	2,105,919	2,500
Insurance charges	466,117	623,819
Payment to Auditors (Refer note 'a' below)	39,676	35,400
Legal, Professional and Consultancy Fees	1,582,346	1,602,937
Travelling and conveyance	590,140	634,044
Directors' Fees	60,000	-
Security Expenses	764,300	769,768
Miscellaneous Expenses	190,517	599,577
	6,264,903	**4,717,227**
Less : Transfer to Capital work in Progress	3,085,394	4,046,166
	3,179,509	**671,060**

a. Payment to Auditors (net of credit of Taxes)

Statutory Audit fees	30,000	35,400
Reimbursement of expense	9,676	-
	39,676	**35,400**

22 Finance Cost

	Year Ended March 31, 2019	Year ended March 31,2018
Interest Expense	24,118,066	20,793,958
Other Borrowing Cost	-	-
	24,118,066	20,793,958
Less : Transfer to Capital Work in Progress	6,051,340	20,793,958
	18,066,726	-

23 Income Taxes

	Year Ended March 31, 2019	Year ended March 31,2018
The income tax expenses consists of the following		
Current Tax		
Current Tax for current year	-	71,540
Tax Adjustment of previous years	(56,501)	39,947
	(56,501)	111,487
Deferred tax credit	(4,726,985)	(6,202)
Total Income tax expense recognised in current year	**(4,783,486)**	**105,285**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to incometax rate to income tax expense reported in statement of profit and loss is as follows:

	Year Ended March 31, 2019	Year ended March 31,2018
Profit before income tax	(20,713,702)	(229,321)
Indian statutory income tax rate	26.00	25.75
Expected Income tax expense	(5,385,563)	(59,050)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax pertaining to prior years	(56,501)	39,947
Share Issue Expenses	429,000	129,270
Others(Net)	229,578	(4,882)
Total income tax expense	**(4,783,486)**	**105,285**

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SUVAS HOLDINGS LIMITED
Notes annexed to and forming part of the Financial Statements
(All Amounts in Rs. unless otherwise specified)

24 Related Party Transactions as per Ind AS 24

(A) Holding Company

The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Interest %	
			As at March 31, 2019	As at March 31, 2018
Hindalco Industries Limited	Holding Company	India	74%	51%

(B) Companies having significant influence over Company

Name	Place of Incorporation
Laxmi Organic Industries Limited (Till January 31, 2019)	India

Other Related parties with whom transactions have taken place during the year

(C) Fellow Subsidiary

Name	Place of Incorporation
Dhej Harbour and Infrastructure Limited	India

(D)	
Key management personnel	1) Mr. Kailash Nath Bhandari - Director 2) Mr. Sandeep Taori - Director 3) Mr. Ravi Goenka - Director 4)Mr. Rajeev Goenka - Director 5) Mr. Anil Kumar Malik - Director 6)Mr. Anil Mathew - Director 7) Mr. Alphonso Richard Das - Director 8) Mr. Gaurav Sidhapura - Company Secretary 9) Mr. Nilesh Bhosale - Manager

Managerial remuneration to Key management personnel :

	Year Ended March 31,2019	Year Ended March 31, 2018
Short-term employee benefits - To Manager	900,504	820,624
	900,504	820,624

(E) The following transactions were carried out during the year with the related parties :

Nature of Transactions	Year Ended March 31,2019	Year Ended March 31, 2018
i. Holding Company		
Issuance of Equity Shares	148,596,760	25,562,302
Share Application Money Received, Pending allotment	734,977	-
Unsecured Loan Received	104,413,180	-
Interest on Loan Received	1,441,760	-
Corporate Guarantee Received	-	27,500,000
ii. Entity having significant influence over the Company		
Issuance of Equity Shares	9,114,000	24,559,858
Reimbursement of Insurance	129,123	-
Purchase of Property Plant and Equipment	109,740	-
Corporate Guarantee Received	-	26,019,000
iii. Fellow Subsidiary		
Unsecured Loan Received	242,756,560	-
Unsecured Loan Paid	(242,756,560)	-
Interest on Loan Received	2,048,466	-
iv. Transactions with Directors		
Issuance of Equity Shares		
Rajiv Goenka	1,297,220	-
Ravi Goenka	432,400	-
Share Application Money Received, Pending allotment from Ravi Goenka	64,574	-
v. Sitting Fees to Directors	60,000	-

(F) The following are balances of related parties mentioned in (A) above:

Nature of Transactions	As at March 31,2019	As at March 31, 2018
Outstanding Loan Balance		
Holding Company	104,413,180	-
Corporate Guarantee		
Holding Company	-	127,500,000
Entity having significant influence over the Company	-	121,177,000
Outstanding Remuneration of Nilesh Bhosale	65,406	-
Outstanding Directors Sitting fee	45,900	-

As there were no balances outstanding against transactions with other parties, no disclosure has been made.

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25 Profit / (Loss)Per Share (Basic and Diluted)

		March 31,2019	March 31, 2018
Profit after tax as per the Statement of Profit and Loss	(A)	(15,930,216)	(334,606)
Weighted Average number of Equity shares outstanding	(B)	15,593,898	11,482,644
Profit / (Loss) per share (Basic and Diluted) (in Rupee)	(A / B)	(1.02)	(0.03)
Nominal value of an Equity Share (in Rupees)		10.00	10.00

26 The carrying value of Financial Instruments by category:

	As at March 31,2019	As at March 31, 2018
Financial Assets Carried at Amortised Cost		
Cash and Bank Balance	1,812,279	11,035,635
Others	6,657,405	7,103,056
	8,469,684	18,138,691
Financial Liabilities Carried at Amortised Cost		
Borrowings	77,462,554	212,434,478
Current maturities of Long-Term Borrowings	26,950,626	8,680,230
Trade Payable	81,285	74,543
Others	5,444,587	3,872,187
	109,939,052	225,061,438

27 Fair Value of financial assets and financial liabilties measured at amortised cost

	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets Carried at Fair value				
Short-Term Liquid Investment in Mutual Funds	7,525,897	7,620,341	-	-
Financial Liabilities Carried at Amortised Cost				
Non-Current Borrowings (including Current maturities)	104,413,180	104,413,180	221,114,708	221,114,708

The carrying amounts of cash and cash equivalents and bank balances other than cash and cash equivalents, trade payables and other current financial liabilities are considered to be same as their fair values, due to their short term nature.

28 Net Debt Reconciliation

	As at March 31,2019	As at March 31, 2018
Cash and cash equivalents	9,432,620	11,035,635
Non-current Borrowings (including current maturities)	(104,413,180)	(221,114,708)
Net Debt	(94,980,560)	(210,079,073)

	Other Assets	Liabilities from financing activities	
	Cash and cash equivalents	Non-current Borrowings (Including current maturities)	Total
Net Debt as at 31 March, 2017	3,392,020	(185,000,000)	(181,607,980)
Cash Flows	7,643,615	(36,114,708)	(28,471,093)
Loan Paid during the year		-	-
Interest Expense		(20,793,958)	(20,793,958)
Interest Paid		20,793,958	20,793,958
Net Debt as at 31 March, 2018	**11,035,635**	**(221,114,708)**	**(210,079,073)**
Net Debt as at 31 March, 2018	11,035,635	(221,114,708)	(210,079,073)
Cash Flows	(1,697,460)	(375,269,740)	(376,967,200)
Loan Paid during the year		491,971,268	491,971,268
Interest Expense	-	24,118,066	24,118,066
Interest Paid	-	(24,118,066)	(24,118,066)
Net Debt as at 31 March, 2019	**9,338,176**	**(104,413,180)**	**(95,075,004)**

29 Contingent Liabilities and Commitments:

	As at March 31,2019	As at March 31, 2018
A. Contingent Liabilities		
Claims against the Company not acknowledged	NIL	NIL
B. Capital commitment :		
Estimated amount of contract remaining to be executed on capital account and not provided for (Net of advances)	3,261,810	7,340,152
C. Performance Guarantee :		
Performance Guaratee given by Banks on behalf of the Company		
(i) Govt. of Maharashtra, Irrigation Deptt	6,290,000	6,290,000

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Notes annexed to and forming part of the Financial Statements
(All Amounts in Rs. unless otherwise specified)

30 The Company has no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows. The information has been determned to the extent such enterprises have been identified on the basis of information available with the company.

	As at March 31,2019	As at March 31, 2018
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
(d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
(e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil
(f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
(g) Further interest remaining due and payable for earlier years.	-	-

** Amount is below the rounding off norm adopted by the Company*

31 Segment Information
Company is primarily engaged in the hydel power generation and therefore it is engaged in only one segment, i.e.Power Generation and Distribution.

A. Description of segment
The Company is principally engaged in a single business segment viz., Power generation

B. Geographical Information
Geographical information is not applicable since the company has its operation only in India.

Further in terms of the Joint Venture Agreement dated July 5, 2013 all the power generated at Temghar Hydro Project shall be purchased by Hindalco Industries Limited.

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32 Financial Risk Management

The company's activities expose it to market risk, liquidity risk, interest rate risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company and interest risk . The Company's risk management activities are subject to the management's direction and control.

A. Market Risk

Power Generation

Company has entered into an arrangement with the Holding company for sale of power and therefore there is no risk visualised in the market.

B. Interest Rate Risk

Interest rate risk is the risk because of which the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rate. The Company's exposure to the risks of changes in market interest rates relates primarily to the Company's long term debt obligations with floating rate interest.

Interest Rate Risk Exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31,2019	March 31, 2018
Variable rate of interest	104,413,180	221,114,708
Fixed rate of interest	-	-
Total Borrowings	104,413,180	221,114,708

At the end of the reporting period , the Company had the following variable rate borrowings

Particulars	March 31,2019			March 31, 2018
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)
Term Loan from banks	-	-	-	10.85%
Loan from Holding Company	11.20%	104,413,180	100.00%	-

C. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the nature of the underlying businesses, company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows considering the level of liquid assets necessary to meet these , monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Available liquidity is as follows :

	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	9,432,620	11,035,635
Availability under committed credit facilities	-	-
Total liquidity	9,432,620	11,035,635

The contractual maturities of the Company's financial liabilities are as below:-

As at March 31, 2019	Less than 1 Year	Between 1 years and 2 years	Between 2 years and 5 years	Carrying Amount
Borrowings - Refer note 'a'	38,267,593	47,730,082	39,264,810	104,413,180
Trade Payable	81,285	-	-	81,285
Others	(5,872,380)	-	-	5,444,587
Total	32,476,498	47,730,082	39,264,810	109,939,052

As at March 31, 2018	Less than 1 Year	Between 1 years and 2 years	Between 2 years and 5 years	Carrying Amount
Borrowings - Refer note 'a'	8,680,230	13,650,960	52,031,920	221,114,708
Trade Payable	74,543	-	-	74,543
Others	3,872,187	-	-	3,872,187
Total	12,626,960	13,650,960	52,031,920	225,061,438

Contractual Cash flows towards borrowings includes Rs. 20,849,305 (As at March 31, 2018 26,185,292) towards future obligation for interest outgo on borrowings.

D. Credit Risk

The company is exposed to counter party credit risk from trade receivables, cash and cash equivalents, liquid investments and other financial instruments. The company has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in debt schemes of mutual funds and bank deposits with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks. The company do not anticipate any credit risk on these cases and thus no provision has been made in antipation of counterparty credit risk.

33 Capital Management

Risk Management:

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalent)
divided by
Total 'equity' (as shown in the balance sheet)

The Company's strategy to maintain a gearing ratio within 3:1 The gearing ratio were as follows:

	As at March 31,2019	As at March 31, 2018
Net debt	94,980,560	210,079,073
Total equity	274,729,391	130,419,676
Net debt to equity ratio	35%	161%

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34 Prior year comparative have been reclassified to confirm with the current year's presentation, whenever applicable.

The accompanying notes are integral part of Balance sheet.

For Price Waterhouse & Co. Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Vipin R. Bansal
Partner
Membership No. 117753

Place: Mumbai
Date : May 15, 2019

For and on behalf of the Board of Directors

Rajeev Goenka
Director
DIN: 00059346

Place: Mumbai
0-Jan-1900

Anil Mallik
Director
DIN: 00170411

Place: Mumbai
Date : May 15, 2019

Ramdas Ganpati Patil
Chief Financial Officer

Place: Mumbai
Date : May 15, 2019

Gaurav Sidhapura
Company Secretary

Place: Mumbai
Date : May 15, 2019

Singhi & Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Utkal Alumina International Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Utkal Alumina International Limited.** ("the Company"), which comprise the Balance sheet as at March 31 2019, 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 financial statements, including a summary of significant accounting policies and other explanatory information.(hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, 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 standalone financial statements 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

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Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

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 A" 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;

SINGHI & CO. * Chartered Accountants *

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) In our opinion, the managerial remuneration for the year ended March 31, 2019 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; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Note-44A to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Singhi & Co.**
Chartered Accountants
(Firm's Registration No. 3020409E)

SINGHI & CO. Chartered Accountants

Rajiv Singhi

Rajiv Singhi
Partner
(Membership No. 053518)

Date: 30th April, 2019
Place: Kolkata

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Utkal Alumina International Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Utkal Alumina International LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

SINGHI & CO. * Chartered Accountants *

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 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.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

SINGHI & CO. Chartered Accountants

For **Singhi & Co.**
Chartered Accountants
(Firm's Registration No. 3020409E)

Rajiv Singhi

Rajiv Singhi
Partner
(Membership No. 053518)

Date: 30th April, 2019
Place: Kolkata

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The physical verification of inventory excluding inventories in transit have been conducted at reasonable intervals by the Management during the year. The discrepancy noted on physical verification of inventory as compared to book records were not material.

iii. According to the information and explanations given to us, the Company has not granted any loan to parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits from public within the meaning of section 73,74, 75,76 of the Act and the Rules framed there under to the extent notified

vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under section 148(1) of the Act in respect of its product.

We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained but no detailed examination of such records and accounts have been carried out by us.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable

(b) According to information and explanation given to us and the records of the Company examined by us , there are no dues of income Tax , Sales tax , duty of customs and value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax and duty of excise as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

SINGHI & CO. * Chartered Accountants *

Name of Statute	Nature of Dues	Forum Pending	Period To which it relates	Amount In Rs
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise, Bhubaneswar	Fy 2011-12, Dec'00- Mar'11, Fy 2012-13, Apr'13 To Dec'13 , Jan'14 to Jun'14, July'14 To Dec'14, Fy 2019 To Fy 2013-14, July'15 - Dec'15, FY 2014-15, Jan'16 to June'17	132,914,093.00
Service Tax Act 2012	Service Tax	Commissioner of Central Excise, Bhubaneswar	Fy 2015-16, 01-07-2012 To 31-03-2016	347,534,490.00
Odisha VAT ACT	VAT	Tribunal, Odisha	Oct'15 To Mar'16, Apr'16 To June '17	4,038,499.00
Odisha Entry Tax Act	Entry Tax	Addl Comm., CT & GST	01-04-2012 to 30-06-12	143,013.00
GST Act	Ed Cess	Asst. Comm. Central Excise & GST	Dec'17	41,489,157.00

viii. According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to any financial institution or bank or dues to debenture holders as at the Balance sheet date. The Company does not have any loans or borrowings from Government as at Balance sheet date.

ix. In our opinion, and according to the information and explanation given to us, the money raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

SINGHI & CO. * Chartered Accountants *

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

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

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Accordingly , the provisions of Clause 3(xvi) of the Order are not applicable to the company.

For **Singhi & Co.**
Chartered Accountants
(Firm's Registration No. 3020409E)

Rajiv Singh

Rajiv Singhi
Partner
(Membership No. 053518)

Date : 30th April , 2019
Place: Kolkata

SINGHI & CO. * Chartered Accountants *

UTKAL ALUMINA INTERNATIONAL LIMITED

Balance sheet as at March 31, 2019

All amounts in ₹ Crore, unless otherwise stated

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	6,826.58	7,080.24
Capital Work-in-Progress	2	299.49	58.85
Intangible Assets	3	78.01	79.87
Financial Assets			
(i) Investments	4	23.57	-
(ii) Loans	5(i)	0.25	0.27
(iii) Other Financial Assets	6(i)	3.79	2.70
Deferred Tax Assets (Net)	7	34.45	-
Non-Current Tax Assets (Net)	8	2.72	3.08
Other Non-Current Assets	9(i)	255.57	112.58
Total Non-Current Assets		**7,524.43**	**7,337.59**
Current Assets			
Inventories	10	410.72	444.37
Financial Assets			
(i) Trade Receivables	11	393.41	405.02
(ii) Cash and Cash Equivalents	12	987.81	167.16
(iii) Bank Balances other than Cash and Cash Equivalents	13	600.01	0.91
(iv) Loans	5(ii)	0.36	0.44
(v) Other Financial Assets	6(ii)	37.79	1.30
Other Current Assets	9(ii)	87.33	67.46
Total Current Assets		**2,517.43**	**1,086.66**
TOTAL ASSETS		**10,041.86**	**8,424.25**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	6,251.48	6,251.48
Other Equity	15	814.40	(606.03)
TOTAL EQUITY		**7,065.88**	**5,645.45**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	16(i)	2,401.81	2,348.48
(ii) Other Financial Liabilities	19(i)	0.71	-
Provisions	17(i)	127.08	40.19
Total Non-Current Liabilities		**2,529.60**	**2,388.67**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	16(ii)	14.88	12.18
(ii) Trade and Other Payables	18		
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and		0.77	0.48
(B) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		182.60	181.50
(iii) Other Financial Liabilities	19(ii)	121.42	98.01
Contract Liabilities	20	0.23	0.09
Other Current Liabilities	21	57.12	78.52
Provisions	17(ii)	39.17	19.35
Income Tax Liabilities (Net)	22	30.19	-
Total Current Liabilities		**446.38**	**390.13**
TOTAL LIABILITIES		**2,975.98**	**2,778.80**
TOTAL EQUITY AND LIABILITIES		**10,041.86**	**8,424.25**

Basis of Preparation and Significant Accounting Policies 1

The accompanying notes are integral part of the Financial statements

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration Number: 302049E

Rajiv Singhi
Partner
Membership No. 53518

Place: KOLKATA
Date : April 30, 2019

For and on behalf of the Board of Directors of Utkal Alumina International Limited

S.K.Mishra
Director
DIN:02544268

A.K.Machher
Director
DIN:02797592

N.Nagesh
Chief Executive Officer

Shree Nath Mishra
Chief Financial Officer

Sunita Narayan
Company Secretary

Place: Mumbai
Date : April 30, 2019

SINGHI & CO. Chartered Accountants

Utkal Alumina International Limited

UTKAL ALUMINA INTERNATIONAL LIMITED

Statement of Profit and Loss for the Year Ended March 31, 2019

All amounts in ₹ Crore, unless otherwise stated

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
REVENUES			
Revenue from Operations	23	4,073.00	2,863.37
Other Income	24	117.06	20.79
Total Income		**4,190.06**	**2,884.16**
EXPENSES			
Cost of Materials Consumed	25	379.98	405.77
Changes in Inventories of Finished Goods and Work-in-Progress	26	(21.69)	(18.50)
Excise Duty on Sales		-	60.68
Employee Benefit Expense	27	62.11	57.44
Power and Fuel	28	763.73	632.77
Finance Cost	29	277.64	320.04
Depreciation and Amortisation	30	300.98	298.81
Other Expense	31	650.68	559.45
Total Expenses		**2,413.43**	**2,316.46**
Profit before Exceptional Items and Tax		1,776.63	567.70
Add: Exceptional Income	32	-	11.81
Profit before Taxation		1,776.63	579.51
Tax Expenses:	33		
Current Tax		383.52	18.22
Deferred Tax Benefits		(31.99)	-
		351.53	18.22
Profit after Taxation		**1,425.10**	**561.29**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	34(i)		
Re-measurement gain/(loss) on defined benefit obligation		0.36	0.13
Income Tax Effect		(0.13)	(0.04)
Items that will be reclassified to profit or loss	34(ii)		
Cash Flow Hedges		(7.53)	-
Income Tax Effect		2.63	-
Other Comprehensive Income		**(4.67)**	**0.09**
Total Comprehensive Income		**1,420.43**	**561.38**
Earnings per equity share	35		
[Nominal Value per share : ₹ 10]			
-Basic and Diluted in Rupees		2.28	1.03
Basis of Preparation and Significant Accounting Policies	1		

The accompanying notes are integral part of the Financial statements

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration Number: 302049E

Rajiv Singhi
Partner
Membership No. 53518

Place: KOLKATA
Date : April 30, 2019

For and on behalf of the Board of Directors of Utkal Alumina International Limited

S.K.Mishra
Director
DIN:02544268

A.K.Machher
Director
DIN:02797592

N.Nagesh
Chief Executive Officer

Shree Nath Mishra
Chief Financial Officer

Sunita Narayan
Company Secretary

Place: Mumbai
Date : April 30, 2019

SINGHI & CO. Chartered Accountants

Utkal Alumina International Limited

UTKAL ALUMINA INTERNATIONAL LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2019

All amounts in ₹ Crore, unless otherwise stated

A. Equity Share Capital

Particulars	Note	Amount
Balance as at the April 01, 2017		3,971.76
Changes in Equity Share Capital during 2017-18	14	2,279.72
Equity Share Capital as at the March 31, 2018		6,251.48
Changes in Equity Share Capital during 2018-19	14	-
Equity Share Capital as at the March 31, 2019		6,251.48

B. Other Equity

Particulars	Note	Reserves and Surplus		Other Reserves			Total
		Retained Earnings / (Accumulated Deficit)	Capital Contribution by Holding Company	Actuarial Gain on Defined benefit Obligation	Effective portion of Cash Flow Hedges	Total OCI	
Balance as at the April 01, 2017	15	(1,241.82)	74.41			-	(1,167.41)
Profit for the year		561.29				-	561.29
Other comprehensive Income, net of tax				0.09	-	0.09	0.09
Total Comprehensive Income for the Year		561.29	-	0.09	-	0.09	561.38
Share based payment expenses			*			-	*
Re-payment towards Share based payment expenses			(*)			-	(*)
Transfer from OCI - Actuarial Gain		0.09		(0.09)		(0.09)	-
Total Changes		561.38	-	-	-	-	561.38
Balance as at the March 31, 2018	15	(680.44)	74.41	-	-	-	(606.03)
Profit for the year		1,425.10				-	1,425.10
Other comprehensive Income				0.23	(4.90)	(4.67)	(4.67)
Total Comprehensive Income for the Year		1,425.10	-	0.23	(4.90)	(4.67)	1,420.43
Share based payment expenses			0.18			-	0.18
Re-payment towards Share based payment expenses			(0.18)			-	(0.18)
Transfer from OCI to Retained Earnings		0.23		(0.23)		(0.23)	-
Total Changes		1,425.33	-	-	(4.90)	(4.90)	1,420.43
Balance as at the March 31, 2019	15	744.89	74.41	-	(4.90)	(4.90)	814.40

** Amount is below the rounding off norm adopted by the Company*

Basis of Preparation and Significant Accounting Policies 1

The accompanying notes are integral part of the Financial statements

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration Number: 302049E

Rajiv Singhi
Partner
Membership No. 53518

Place: KOLKATA
Date : April 30, 2019

For and on behalf of the Board of Directors of Utkal Alumina International Limited

S.K.Mishra
Director
DIN:02544268

A.K.Machher
Director
DIN:02797592

N.Nagesh
Chief Executive Officer

Shree Nath Mishra
Chief Financial Officer

Sunita Narayan
Company Secretary

Place: Mumbai
Date : April 30, 2019

UTKAL ALUMINA INTERNATIONAL LIMITED
Cash Flow Statement for the Year Ended March 31, 2019

All amounts in ₹ Crore, unless otherwise stated

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Cash Flow generated from Operating Activities		
Profit before tax	1,776.63	579.51
Adjustment for:		
Employee Stock Option Scheme	0.18	*
Depreciation and Amortisation	300.98	298.81
Impairment in value of non-current assets held for distribution	-	0.05
Unrealised Foreign Exchange Loss - (Net)	0.57	0.19
Interest Income	(53.07)	(4.10)
Fair value gain on modification of Borrowings	(25.12)	(12.58)
Loss on Tangible Assets Sold / Discarded	0.01	0.36
Finance Costs	281.92	320.04
Loss on changes in fair value of Derivatives	0.69	0.51
Fair value gain on Investments (Net)	(15.35)	(0.25)
Realised Gain of cash Flow hedges in OCI	(0.87)	-
Provision for slow moving spares	4.32	4.63
Operating Profit Before Working Capital Changes	**2,270.89**	**1,187.17**
Adjustment for changes in Working Capital :		
- (Decrease) / Increase in Trade Payables	(9.28)	17.78
- Increase in Provisions	17.82	10.72
- Increase / (Decrease) in Other Financial Liabilities	0.11	(0.17)
- (Decrease) / Increase in Other Current Liabilities	(21.28)	24.56
- Decrease / (Increase) in Trade Receivables	11.42	(128.36)
- Decrease / (Increase) in Inventories	29.33	(58.79)
- Decrease / (Increase) in Loans	0.09	(0.05)
- (Increase) / Decrease in Other Financial Assets	(22.44)	0.84
- (Increase) in Other Assets	(8.96)	(7.55)
Cash generated from Operations	**2,267.70**	**1,046.15**
Direct Taxes Paid (Net)	(353.24)	(16.60)
Net Cash generated from Operating Activities	**1,914.46**	**1,029.55**
B. Cash Flow used in Investing Activities		
Payments to acquire Property, Plant and Equipment	(323.56)	(157.04)
Proceeds from disposal of Property, Plant and Equipment	0.28	0.09
Purchase of Investments	(25.00)	-
(Increase) in Other Bank Balances	(599.10)	(0.91)
Inter Corporate Deposit Given	(800.00)	-
Refund of Inter Corporate Deposit	800.00	-
Interest Received	35.59	0.50
Net Cash used in Investing Activities	**(911.79)**	**(157.36)**
C. Cash Flow used in Financing Activities		
Proceeds from issue of equity share capital	-	2,279.72
Pre-payment of Term Loan to Banks	-	(2,279.72)
Repayment of Term Loan to Banks	-	(11.97)
Proceeds / (Repayment) of Short Term Borrowings (Net)	2.70	(377.02)
Proceeds of Deposits from Holding Company	-	100.00
Repayment of Deposits to Holding Company	-	(100.00)
Payment of Finance Lease Obligations	-	(0.03)
Capital Contribution from Holding Company	(0.18)	*
Redemption of Debenture	(3.00)	(3.00)
Payment of Finance Costs	(198.32)	(315.31)
Net Cash used in Financing Activities	**(198.80)**	**(707.33)**
Net increase in Cash and Cash equivalents	**803.87**	**164.86**
Add: Cash and Cash Equivalents at the beginning of the year	167.16	2.05
Cash and Cash Equivalents at the end of the year before fair value gain on liquid investments	**971.03**	**166.91**
Add: Fair value gain on Liquid Investments	16.78	0.25
Cash and Cash Equivalents at the end of the year	**987.81**	**167.16**

** Amount is below the rounding off norm adopted by the Company*

SINGHI & CO. Chartered Accountants

Utkal Alumina International Limited

UTKAL ALUMINA INTERNATIONAL LIMITED

Cash Flow Statement for the Year Ended March 31, 2019

All amounts in ₹ Crore, unless otherwise stated

Supplemental Information:	As at	
(i) Cash and Cash Equivalents comprise:	March 31, 2019	March 31, 2018
Cash on hand	-	-
Balances with Banks		
In current accounts	0.37	0.29
Deposits with initial maturity of less than 3 months	-	100.00
Short-Term Liquid Investments in Mutual Funds	987.44	66.87
	987.81	167.16

(ii) Statement of Net Debt Reconciliation

	Liabilities from financing activities		
	Term Loan from Banks **	Current Borrowings	Finance lease Obligation
Balance as at April 01, 2017	4,640.23	389.20	0.03
Accrued interest but not due as at April 01, 2017	28.20	0.72	-
Cash Flow (Net)	(2,291.69)	(377.02)	(0.03)
Non Cash Changes			
Fair Value Changes	(8.04)	-	-
Others*	7.98	-	-
Interest Expense	292.48	10.11	-
Interest Paid	(304.26)	(10.83)	-
Balance as at March 31, 2018	2,364.90	12.18	-
Balance as at April 01, 2018	2,348.48	12.18	-
Accrued interest but not due as at April 01, 2018	16.42	-	-
Cash Flow (Net)	-	2.70	-
Non Cash Changes			
Fair Value Changes	37.91	-	-
Others*	15.42	-	-
Interest Expense	198.30	0.75	-
Interest Paid	(197.37)	(0.75)	-
Balance as at March 31, 2019	2,419.16	14.88	-

* Represents amortisation of debt issuance cost relating to Term Loan.

** Borrowings include interest accrued but not due on borrowings.

Basis of Preparation and Significant Accounting Policies 1

The accompanying notes are integral part of the Financial statements

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration Number: 302049E

Rajiv Singhi
Partner
Membership No. 53518

SINGHI & CO. Chartered Accountants

Place: KOLKATA
Date : April 30, 2019

For and on behalf of the Board of Directors of Utkal Alumina International Limited

S.K.Mishra
Director
DIN:02544268

A.K.Machher
Director
DIN:02797592

N.Nagesh
Chief Executive Officer

Shree Nath Mishra
Chief Financial Officer

Sunita Narayan
Company Secretary

Place: Mumbai
Date : April 30, 2019

Utkal Alumina International Limited

1. Company Overview

Utkal Alumina International Limited ("the Company") was incorporated in India in the year 1993 and has its registered office at J-6 Jaydev Vihar, Bhubaneswar, Odisha 751013. The Company is engaged in manufacturing of Alumina. Hindalco Industries Limited, the holding company owned 100% of the Equity Share Capital.

The financial statement are approved for issue by the Company's Board of Directors on April 30, 2019.

1A. Basis of preparation

These financial Statements relate to Utkal Alumina International Limited. The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standard) Rules, as amended from time to time and other relevant provision of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared under the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value:

- Financial instruments - Measured at fair value;
- Plan assets under defined benefit plans - Measured at fair value; and
- Employee share-based payments - Measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets. The basis of fair valuation of these items are given as part of their respective accounting policies.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements have been presented in Indian Rupees (INR), which is the Company's Functional Currency. All Financial information presented in INR has been rounded off to nearest two decimals of crore, unless otherwise indicated.

Use of Estimates and Management Judgments

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities, and the disclosure of contingent liabilities as at the date of the financial statements, and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

1B. Significant accounting policies

A Summary of significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

a. Property, Plant and Equipment

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred.

The cost of Property, plant and equipment includes estimated restoration costs associated with the assets.

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Capital work-in-progress

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

Depreciation

Depreciation is charged so as to write off the cost net of their estimated residual value, over their estimated useful lives or, in the case of leased assets (including leasehold improvements), over the lease term if shorter. The lease period is considered by excluding any lease renewals options, unless the renewals are reasonably certain. Depreciation is recorded using the straight line basis. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the others components of the asset.

Freehold land is not depreciated.

Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed from service.

Disposal of assets

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

Mining Reserves, Resources and Rights

Mineral reserves, resources and rights (together Mining rights) which can be reasonably valued, are recognised in the assessment of fair values on acquisition. Exploitable mineral rights are amortised using the unit of production basis over the commercially recoverable reserves. Mineral resources are included in amortisation calculations where there is a high degree of confidence that they will be extracted in an economic manner. Commercially recoverable reserves are proved and probable reserves. Changes in the commercial recoverable reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

Stripping Cost

The stripping cost incurred during the production phase of mines is recognised as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to ore body) associated with the stripping activity will flow to the entity

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- The entity can identify the component of the ore body for which access has been improved , and
- The costs relating to the improved access to that component can be measured reliably

The stripping activity asset is subsequently amortised on a unit of production basis over the life of the identified component of the ore body. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue, based on stripping ratio as per the mining plan.

b. Intangible Assets

Intangible assets acquired separately

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

c. Impairment

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

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d. Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at their respective functional currency at the exchange rates prevailing at the date, the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception of the following:

- exchange differences on foreign currency borrowings relating to qualifying assets under construction are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measures 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 gain or loss on 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).

e. Provisions and contingencies

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

The amortisation or "unwinding" of the discount applied in establishing the provision is charged to the income statement in each accounting period. The amortisation of the discount is shown within "Finance items" in the Income Statement.

Restoration, rehabilitation and decommissioning

Close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, based on the net present value of the estimated future costs of restoration to be incurred during the life of the mining operation and post closure. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

The initial close-down and restoration provision is capitalised. Subsequent movements in the close-down and restoration provisions for ongoing operations, including those resulting from new disturbance related to expansions or other activities qualifying for capitalisation, updated cost

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estimates, changes to the estimated lives of operations, changes to the timing of closure activities and revisions to discount rates are also capitalised within "Property, plant and equipment".

Environmental liabilities

Environment liabilities are recognised when the company becomes obliged, legally or constructively to rectify environmental damage or perform remediation work.

Litigation

Provision is recognised once it has been established that the Company has a present obligation based on consideration of the information which becomes available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

f. Leases

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

The Company as lessor

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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g. Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads.

Cost is determined using the weighted average cost basis. The same cost basis is applied to all inventories of a particular class. Inventories of stores and spare parts are valued at weighted average cost basis after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

h. Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115.

i. Financial Instruments

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Financial assets at amortised cost and the effective interest method

Debt instruments are measured at amortised cost if both of the following conditions are met:

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

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

Debt instruments are measured at FVTOCI if both of the following conditions are met:

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and selling assets; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in investment income. When the debt instrument is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit and loss account as a reclassification adjustment.

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI.

A financial asset is held for trading if:

• it has been acquired principally for the purpose of selling it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or

• it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial assets at FVTPL

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss is included in the 'other income'/ 'other expenses'.

Income on debt instruments at FVTPL is included in the net gain or loss described above.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has

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increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset on trade date only 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 entity. 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 a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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 recognised at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

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Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

• it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit-taking; or

• it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

• the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

• it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j. Derivative Financial Instruments

The Company uses derivative financial instruments to hedge its risks associated with foreign exchange transactions arising from procurement of capital assets. The fair value of those derivative financial instruments is recognised as assets or liabilities at the balance sheet date. Such derivative instruments are used as risk management tools and not for speculative purposes.

For derivative financial instruments designated as Cash flow hedges and where the exposure gives rise to non-financial asset, the effective portion of fair value of such instruments are recognised in the Hedging Reserve Account and reclassified to the initial carrying amount of the non-financial asset as a 'basis adjustment'. The ineffective portion of the change in fair value of such instruments is recognised in the Statement of Profit and Loss in the period in which they arise.

If the hedge relationship ceases to be effective, hedge accounting is discontinued and fair value changes arising from such instruments are recognised in the Statement of Profit and Loss in the period in which they arise. If it becomes evident that a hedged transaction is no longer highly probable, hedge accounting is discontinued and fair value changes arising from those instruments are recognised in the Statement of Profit and Loss in the period in which they arise.

For derivative financial instruments that are not designated in a hedge relationship, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.

k. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

l. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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m. Employee Benefits

Retirement benefit costs and termination benefits

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of government bonds.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs.

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

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Short-term and other long-term employee benefits

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

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

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Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit retirement plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

n. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in India where the Company operates and generate taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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The entity recognizes a deferred tax asset arising from unused tax losses or tax credits only to the extent that it has sufficient taxable temporary differences, or there is other convincing evidence that sufficient taxable profit will be available against which the deferred tax asset can be utilised.

Current and deferred tax for the period

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

o. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

p. Revenue recognition

Company has adopted Ind AS 115, which is effective April 1,2018,using the modified retrospective method and consequently the comparative information in the statement of profit and loss is not restated i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction.

The Company derives revenue principally from sale of Alumina. The Company recognises revenue when all the following criteria are satisfied:

I. persuasive evidence of a contract with the customer exists;
II. the performance obligations under the contract have been identified; and
III. Control of goods or service is transferred to the customer.

Revenue represents the net invoice value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates etc.

Control is specified as the ability to direct the use of the asset, to obtain benefits from the assets and to prevent others from doing so.

Revenue excludes any taxes and duties collected on behalf of the Government.

In other contracts, revenue is recognised when control is transferred based on the terms of contract which may either be point of sale (i.e. the plant) or where the goods is to be delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, where the goods is delivered. In contracts where control is transferred at the point of sale and the Company provides transportation service, the transport service is treated as a distinct separate performance obligation under the contract and the same is recognised as revenue when the said performance obligation is completed. In case arrangement of transportation which is not part of consideration , the reimbursement of actual freight is adjusted with cost incurred.

In case of related party transactions where related party meets the definition of customer (ie a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of Ind AS 115.

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Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

Claim on insurance companies, railway authorities and others, where quantum of accruals cannot be ascertained with reasonably certainty, are accounted for on acceptance basis.

q. **Dividend/Interest Income:**

Dividend income is recorded when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

r. **Equity Share Based Payment**

The Parent Company (Hindalco) issues equity-settled share-based payments linked to its equity shares to certain employees of the Company for the services received by the Company from its employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period based on estimate of equity instruments that will eventually vest with a corresponding credit to equity.

On a periodic basis, Hindalco recharges to the Company certain amount for the above share based payments which are adjusted from equity accordingly.

s. **Financial Guarantee Contract**

Financial guarantee contract provided to the lenders of the Company by its Parent Company is measured at their fair values and benefit of such financial guarantee is recognised to equity as a capital contribution from the parent.

t. **Exceptional Item**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

u. **Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

1C. Measurement of fair value

a. **Financial instruments** -The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial

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instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b. **Marketable and non-marketable equity securities** - Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

c. **Derivatives** - Fair value of financial derivatives is estimated as the present value of future cash flows, calculated by reference to quoted price curves and exchange rates as of the balance sheet date. Options are valued using appropriate option pricing models and credit spreads are applied where deemed to be significant.

d. **Embedded derivatives** - Embedded derivatives that are separated from the host contract are valued by comparing the forward curve at contract inception to the forward curve as of the balance sheet date. Changes in the present value of the cash flows related to the embedded derivative are recognized in the balance sheet and in the income statement.

1D.Critical accounting judgment and key sources of estimation uncertainty

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

a. **Impairment of non-current assets** - Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. The Company has identified the entire plant as its CGU.

Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed over the period of three years with projections thereafter. For calculating value in use, cash flows are generally increased by expected inflation.

b. **Employee retirement plans** – The Company provides both defined benefit employee retirement plans and defined contribution plans. Measurement of pension and other superannuation costs and obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.

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Government bond yield is considered as discount rate. Assumptions for salary increase in the remaining service period for active plan participants are based on expected salary increase. Changes in these assumptions can influence the net asset or liability for the plan as well as the pension cost.

c. **Environmental liabilities and Asset Retirement Obligation (ARO)** – Estimation of environmental liabilities and ARO require interpretation of scientific and legal data, in addition to assumptions about probability and future costs.

d. **Taxes** – The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

e. **Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

f. **Useful lives of Property, Plant and Equipment and Intangible assets** - Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of IT equipment, software and other plant and equipment.

g. **Recoverability of Advances/Receivables-** At each Balance Sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factors.

h. **Fair Value Measurements -** The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated Fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

i. **Contingent Assets and Liabilities, Uncertain Assets and Liabilities-** Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and

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An outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether the Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realisation and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

j. **Significant judgments when applying Ind AS 115** - Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

1E. New Standard/Amendment to existing Standard issued.

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019: The Company will adopt new standard and amendment to existing standards with effect from April 1, 2019.

a. **Ind AS 116:** Leases -Ind AS 116 will supersede the existing Ind AS 17. The new standard provides a comprehensive model to identify lease-arrangements and the treatment thereof in the financial statements of both the lessee and lessor. The new standard requires entities to make more judgments and estimates (e.g., determining when a customer has the right to direct the use of an identified asset, estimating the incremental rate of borrowing) and make more disclosures (e.g., discount rate, weighted average lease term, other qualitative and quantitative information).

Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Ind AS 17 required classifying leases as finance lease and operating lease, the same in not required under Ind AS 116. Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.
On initial application the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will

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change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.
Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 without adjusting the Comparatives.

The Company has evaluated the impact and certain non-material operating leases have to be brought onto the balance sheet in terms of the new standard and additional disclosure will be required.

b. **Ind AS 12 Appendix C**, Uncertainty over Income Tax Treatments: Ministry of Corporate Affairs has notified Ind AS 12 Appendix 'C' Uncertainty over Income Tax Treatments on March 30, 2019. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
The Company has decided to adjust the cumulative effect in equity on the date of initial application i without adjusting comparatives.
The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

c. **Amendment to Ind AS 12** – Income taxes: Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes accordingly an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.
There is no impact of this amendment on the standalone financial statements.

d. **Amendment to Ind AS 19** – plan amendment, curtailment or settlement- Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', On March 30, 2019, in connection with accounting for plan amendments, curtailments and settlements.
The Company does not have any impact on account of this amendment. The Company will adopt the standard on April 1, 2019.

e. **Ind AS 23** – Borrowing Costs -The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Company does not expect any significant impact from this amendment.

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f. **Ind AS 28** – Long-term Interests in Associates and Joint Ventures
The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

g. **Ind AS 103** – Business Combinations and Ind AS 111 – Joint Arrangements
The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. This amendment is currently not applicable to the Company.

h. **Ind AS 109** – Prepayment Features with Negative Compensation
The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

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All amounts in ₹ Crore, unless otherwise stated

2 Property, Plant and Equipment

Assets	Useful lives in Years	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
		As at April 1, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at April 1, 2018	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2019	As at March 31, 2019	As at April 1, 2018
Freehold land		0.19	-	-	0.19	-	-	-	-	0.19	0.19
Leasehold land improvements	90	119.45	-	-	119.45	7.46	1.32	-	8.78	110.67	111.99
Buildings	3-60	1,781.52	1.70	-	1,783.22	266.68	62.77	-	329.45	1,453.77	1,514.84
Plant and Equipment	3-40	6,352.76	39.28	(0.07)	6,391.97	907.61	232.52	(0.01)	1,140.12	5,251.85	5,445.15
Vehicles	4-10	3.17	2.94	(0.36)	5.75	1.07	0.75	(0.15)	1.67	4.08	2.10
Furniture and Fixture	10	9.79	0.81	(0.08)	10.52	4.74	0.85	(0.07)	5.52	5.00	5.05
Office Equipment	3-6	4.66	0.56	(0.21)	5.01	3.74	0.45	(0.20)	3.99	1.02	0.92
Total		**8,271.54**	**45.29**	**(0.72)**	**8,316.11**	**1,191.30**	**298.66**	**(0.43)**	**1,489.53**	**6,826.58**	**7,080.24**

Assets	Useful lives in Years	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
		As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at April 01, 2017	Additions During the year	Disposal/ Adjustments During the year	As at March 31, 2018	As at March 31, 2018	As at April 01, 2017
Freehold land		0.19	-	-	0.19	-	-	-	-	0.19	0.19
Leasehold land improvements	90	119.45	-	-	119.45	6.14	1.32	-	7.46	111.99	113.31
Buildings	3-60	1,767.95	13.57	-	1,781.52	203.85	62.83	-	266.68	1,514.84	1,564.10
Plant and Equipment	3-40	6,245.04	108.04	(0.32)	6,352.76	675.77	231.87	(0.03)	907.61	5,445.15	5,569.27
Vehicles	4-10	2.50	0.89	(0.22)	3.17	0.66	0.48	(0.07)	1.07	2.10	1.84
Furniture and Fixture	10	9.26	0.59	(0.06)	9.79	3.99	0.80	(0.05)	4.74	5.05	5.27
Office Equipment	3-6	4.21	0.78	(0.33)	4.66	3.59	0.48	(0.33)	3.74	0.92	0.62
Total [A]		**8,148.60**	**123.87**	**(0.93)**	**8,271.54**	**894.00**	**297.78**	**(0.48)**	**1,191.30**	**7,080.24**	**7,254.60**
Assets taken on Finance Lease	3	0.09	-	(0.09)	-	0.07	0.02	(0.09)	-	-	0.02
Total [B]		**8,148.69**	**123.87**	**(1.02)**	**8,271.54**	**894.07**	**297.80**	**(0.57)**	**1,191.30**	**7,080.24**	**7,254.62**

a. All the immovable properties, movable assets (including movable machinery, machinery spares, tools and accessories therein) both present and future (excluding assets taken on finance lease) are having first ranking pari passu charge / mortgage/ Security Interest against the Term Loan taken by the Company.

b. Assets taken on Finance Lease represents an office equipment where the Company is a lessee under a finance lease. Under the finance lease, the Company had the option to acquire the leased asset on expiry of the lease term of 3 years by paying two month's rent.

c. The Company has contractual commitments for capital expenditure [Refer note 44 C]

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All amounts in ₹ Crore, unless otherwise stated

Capital Work-in-Progress

	As at March 31, 2019	As at March 31, 2018
Carrying amount at the beginning of the year	58.85	136.95
Addition during the year	285.93	43.51
Capitalised during the year	(45.29)	(121.61)
Carrying amount at the end of the year	**299.49**	**58.85**

a. Capital Work-in-Progress as at March 31, 2019 mainly comprises of basic engineering works and enterprise social commitment of refinery expansion project, plant and equipment for alumina refinery and residential township for employees of the Company(As at March 31, 2018 mainly comprises of plant and equipment for alumina refinery and residential township for employees of the Company).

3 Intangible Assets

	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
Assets	**As at April 1, 2018**	**Additions During the year**	**Disposal/ Adjustments During the year**	**As at March 31, 2019**	**As at April 1, 2018**	**Additions During the year**	**Disposal/ Adjustments During the year**	**As at March 31, 2019**	**As at March 31, 2019**	**As at April 1, 2018**
Computer Software	0.33	-	-	0.33	0.29	0.02	-	0.31	0.03	0.04
Mining Lease and Development Rights	93.25	0.45	-	93.70	13.42	2.30	-	15.72	77.98	79.83
Total	**93.58**	**0.45**	-	**94.03**	**13.71**	**2.32**	-	**16.03**	**78.01**	**79.87**

	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
Assets	**As at April 01, 2017**	**Additions During the year**	**Disposal/ Adjustments During the year**	**As at March 31, 2018**	**As at April 01, 2017**	**Additions During the year**	**Disposal/ Adjustments During the year**	**As at March 31, 2018**	**As at March 31, 2018**	**As at April 01, 2017**
Computer Software	0.31	0.02	-	0.33	0.27	0.02	-	0.29	0.04	0.04
Mining Lease and Development Rights	50.69	42.56	-	93.25	12.43	0.99	-	13.42	79.83	38.26
Total	**51.00**	**42.58**	-	**93.58**	**12.70**	**1.01**	-	**13.71**	**79.87**	**38.30**

a. Computer Software consists primarily of Software cost associated with an Enterprises Resources Planning (ERP Tool). Computer Software is amortized over their estimated useful life using straight line method which reflects the pattern in which the economic benefits are expected to be consumed and have a useful life of 5 years.

b. Mining lease and development rights represent contractual entitlements to certain tonnes of bauxite. The mining lease and development rights are amortised on a Unit-of-Production basis over the estimated remaining mining reserve.

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All amounts in ₹ Crore, unless otherwise stated

4 Investments

	As at March 31, 2019	As at March 31, 2018
Debt Instruments at FVTPL		
Preference shares		
7% Redeemable Non Cumulative Non Convertible Preference Shares of Aditya Birla Health Services Limited 25,00,000 (As at March 31, 2018 : ₹ Nil) Preference Shares of ₹ 100 each redeemable with in 15 years from the allotment date March 29, 2019.	23.57	-
	23.57	**-**

5 Loans

(i) Loans : Non-Current

Unsecured, Considered Good	As at March 31, 2019	As at March 31, 2018
Loans to Employees [Refer note 'a' below]	0.25	0.27
	0.25	**0.27**

(ii) Loans : Current

Unsecured, Considered Good		
Loans to Employees [Refer note 'a' below]	0.36	0.44
	0.36	**0.44**

a. Loans to employees mainly includes vehicle loans.

6 Other Financial Assets

(i) Other Financial Assets : Non-Current

	As at March 31, 2019	As at March 31, 2018
Security Deposits [Refer note 'a' below]	2.71	2.69
Term Deposit with more than 12 months maturity [Refer note 'b' below']	1.08	0.01
	3.79	**2.70**

(ii) Other Financial Assets : Current

Accrued Interest	15.98	0.84
Security Deposits [Refer note 'a' below]	0.43	0.43
Derivative Assets	*	-
Other Receivables [Refer note 'c' below]	21.38	0.03
	37.79	**1.30**

** Amount is below the rounding off norm adopted by the Company*

a. Security deposits mainly includes utility deposits. These deposits are without any fixed period of maturity and are held for purposes other than financing.

b. The term deposits are held as lien with Harabhanghi Irrigation Division/Deputy Director of Mines.

c. Includes ₹ 3.91 Crore (As at March 31, 2018 : ₹ Nil) receivable against re-imbursement of expenses incurred on behalf of the related party and ₹ 16.79 Crore recoverable on account of Cess under BOCW Act.

7 Deferred Tax Assets

	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets	1,285.53	1,488.82
Deferred Tax Liabilities	1,251.08	1,206.22
Net Deferred Tax Assets	**34.45**	**282.60**
Net Deferred Tax Assets Recognised [Refer note 'a&b' below]	**34.45**	**-**

a. Company has recognised deferred tax assets amounting to ₹ 1285.53 Crore (As at March 31, 2018 : ₹ 1,488.82 Crore) in respect of temporary differences arising mainly on account of unused tax credit , business losses and unabsorbed depreciation which are adjusted against deferred tax liability amounting to ₹ 1251.08 Crore (As at March 31, 2018 : ₹ 1,206.22 Crore) arising mainly on account of depreciation. Unrecognized Deferred Tax Assets is ₹ Nil (As at March 31,2018 : 282.60 Crore)

b. During the current year , company has recognised MAT Credit Entitlement of ₹ 401.75 Crore (including ₹ 18.38 Crore related to previous year) , based on convincing evidence that there will be sufficient taxable profit available during specified period against which the MAT Credit entitlement will be utilized.

c. Deferred tax assets/ (liabilities) arise from:

Deferred income tax assets		
Provision for Employee benefits	1.32	1.60
Other Timing Differences	3.83	4.45
Carried forward Business losses and Unabsorbed depreciation	876.00	1,482.77
Cash Flow Hedges	2.63	-
MAT Credit Entitlement	401.75	-
	1,285.53	**1,488.82**
Deferred income tax liabilities		
Depreciation and Amortization	1,237.96	1,201.73
Fair value measurements of financial instruments	5.37	0.13
Others	7.75	4.36
	1,251.08	**1,206.22**

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8 Non-Current Tax Assets (Net)

	As at March 31, 2019	As at March 31, 2018
Income Tax Assets (net)	2.72	3.08
	2.72	**3.08**

As at March 31, 2019 Non Current Tax Assets of ₹ 2.72 Crore relating to refund due from income tax authorities of earlier years for which assessment is pending at different forums.(As at March 31, 2018, ₹ 3.08 Crore are net of provisions relating to financial year 2017-18 of ₹ 18.28 Crore)

9 Other Assets

	As at March 31, 2019	As at March 31, 2018
(i) Other Non-Current Assets		
Capital Advances	159.69	8.13
Advances to Suppliers	14.94	20.35
Prepaid Rent on Leasehold land	77.66	78.77
Prepaid Expenses	3.28	5.33
	255.57	**112.58**
(ii) Other Current Assets		
Advances to Suppliers	57.98	48.66
Prepaid Rent on Leasehold Land	1.11	1.11
Prepaid Expenses	14.22	8.12
Export and other Incentives	0.89	0.17
Balance with Excise, Customs and Sales Tax Authorities	11.53	6.43
Gratuity Fund Balance (net)	1.27	1.82
Others [Refer note 'a&b' below]	0.33	1.15
	87.33	**67.46**

a. Represents receivables from Income Tax authorities amounting ₹ 0.33 Crore

b. Includes ₹ Nil (As at March 31, 2018 : ₹ 1.00 Crore) remaining unadjusted against future liability of Cess payable to District Mineral Fund.

10 Inventories

	As at March 31, 2019			As at March 31, 2018		
	In Hand	In Transit	Total	In Hand	In Transit	Total
Stores and Spares [Refer note 'a' below]	56.86	1.32	58.18	59.76	1.60	61.36
Packing Material	0.10	-	0.10	0.20	-	0.20
Raw Materials	16.49	18.36	34.85	46.17	47.30	93.47
Coal and Fuel	49.18	18.94	68.12	44.56	17.00	61.56
Work-in-Progress	240.96	-	240.96	221.44	-	221.44
Finished Goods	8.51	-	8.51	6.34	-	6.34
	372.10	**38.62**	**410.72**	**378.47**	**65.90**	**444.37**

a. During the Year ended March 31, 2019, the Company has made provision of ₹ 4.32 Crore (Year ended March 31, 2018 : ₹ 4.63 Crore) towards slow moving spares. Due to this adjustment, the inventory of Stores and Spares has reduced by ₹ 8.95 Crore (As at March 31, 2018 : ₹ 4.63 Crore) with corresponding reduction in 'Consumption of Stores and Spares' in the Statement of Profit and Loss for the year.

b. Entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and stock-in trade pertaining to the company's business, both present and future are having first ranking pari passu charge / mortgage/ Security Interest against the Cash Credit facilities availed by the Company.

11 Trade Receivables

Unsecured, Considered Good

	As at March 31, 2019	As at March 31, 2018
Receivables from related parties [Refer note '36' & 'a' below]	312.73	405.02
Others	80.68	-
	393.41	**405.02**

a. As per management assessment, no provision is made for expected credit loss due to low credit risk of receivables. Further management has also considered past experience of losses on receivables. The Company has not recognised provision for doubtful receivables in any of the previous periods.

12 Cash and Cash Equivalents

	As at March 31, 2019	As at March 31, 2018
Cash on hand	-	-
Balances with Banks		
-In current accounts	0.37	0.29
Deposits with initial maturity of less than 3 months	-	100.00
Liquid Investments in Mutual Funds	987.44	66.87
	987.81	**167.16**

a. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior years.

13 Bank Balances other than Cash and Cash Equivalents

	As at March 31, 2019	As at March 31, 2018
Term Deposits with less than 12 months maturity [Refer note 'a' below]	600.01	0.91
	600.01	**0.91**

a Includes ₹ Nil (As at March 31, 2018 : ₹ 0.91) in term deposits are held as lien with Harabhanghi Irrigation Division/Deputy Director of Mines.

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14 Equity Share Capital

	As at March 31, 2019	As at March 31, 2018
Authorized Share Capital		
7,470,000,000 (As at March 31, 2018 : 7,470,000,000) equity shares of ₹ 10 each	7,470.00	7,470.00
30,000,000 (As at March 31, 2018 : 30,000,000) preference shares of ₹ 10 each	30.00	30.00
	7,500.00	7,500.00
Issued, Subscribed and Paid up Share Capital		
6,251,482,818 (As at March 31, 2018 : 6,251,482,818) equity shares of ₹ 10 each fully paid up	6,251.48	6,251.48
	6,251.48	6,251.48

a. **Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period :-**

	As at March 31, 2019		As at March 31, 2018	
	Nos.	₹ in Crore	Nos.	₹ in Crore
At the beginning of the year	6,251,482,818	6,251.48	3,971,764,068	3,971.76
Issued during the year	-	-	2,279,718,750	2,279.72
Outstanding at the end of the year	6,251,482,818	6,251.48	6,251,482,818	6,251.48

b. **Terms and rights attached to equity shares:-**
The Company has one class of equity shares having a par value of ₹ 10 per share. Every shareholder is eligible to one vote per each share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share.

c. **Details of shareholders more than 5% of the aggregate shares in the Company and shares held by Holding Company:-**
Entire issued, subscribed and paid up equity shares are held by Hindalco Industries Limited, the Company, and its nominees.

15 Other Equity

	As at March 31, 2019	As at March 31, 2018
Retained Earnings / (Accumulated Deficit) [Refer note 'a' below']	744.89	(680.44)
Capital Contribution from Holding Company [Refer note 'b' below']	74.41	74.41
Other Comprehensive Income [Refer note 'c' below']	(4.90)	-
	814.40	(606.03)

a. **Retained Earnings / (Accumulated Deficit)**

	As at March 31, 2019	As at March 31, 2018
Opening Balance	(680.44)	(1,241.82)
Net profit for the year	1,425.10	561.29
Items of Other Comprehensive Income recognised in Retained Earnings for the year		
-Re-measurement gain on defined benefit obligation	0.23	0.09
Closing Balance	744.89	(680.44)

b. **Capital Contribution from Holding Company #**

Opening Balance	74.41	74.41
Share based payment expenses @	0.18	*
Re-payment towards Share based payment expenses	(0.18)	(*)
Closing Balance	74.41	74.41

** Amount is below the rounding off norm adopted by the Company*

c. **Other Comprehensive Income**

Items that will not be reclassified to Profit and Loss (Net of Income Tax Effect)		
Opening Balance	-	-
Add: Re-measurement gain on defined benefit obligation	0.23	0.09
Less: Transfer to Retained Earnings	(0.23)	(0.09)
	-	-
Items that will be reclassified to Profit and Loss (Net of Income Tax Effect)		
Opening Balance	-	-
Add: Cash flow hedges (Net of tax)	(4.90)	-
	(4.90)	-
Closing Balance	(4.90)	-

@ The Holding Company, Hindalco Industries Limited awards its shares to certain employees of the company as per its equity settled shared based payment scheme for which it recharges the Company.

Capital Contribution from Holding Company includes ₹ 74.41 Crore (As at March 31, 2018 ₹ 74.41 Crore) which represents the fair value benefit of the financial guarantee benefit provided by the Holding Company in respect of the Term Loan availed by the Company.

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16 Borrowings
(i) Non-Current

	Maturity Date	As at March 31, 2019		
		Non-Current Portion	Current Maturities	Total
Secured, at Amortised Cost				
Term Loans				
From Banks [Refer note 'a' below']	September 30, 2030	2,401.81	-	2,401.81
		2,401.81	**-**	**2,401.81**

	Maturity Date	As at March 31, 2018		
		Non-Current Portion	Current Maturities	Total
Secured, at Amortised Cost				
Term Loans				
From Banks [Refer note 'a' below']	September 30, 2030	2,348.48	-	2,348.48
		2,348.48	**-**	**2,348.48**

Term loan from banks comprises the following:

	Rate of Interest	As at March 31, 2019		As at March 31, 2018	
		Gross	Carrying Value	Gross	Carrying Value
Axis Bank	SBI MCLR (3 Months)+10 bps/ Axis Bank MCLR	635.25	629.68	635.25	615.75
State Bank of India	SBI MCLR (3 Months) +10 bps	1,436.25	1,422.68	1,436.25	1,391.15
State Bank of India	SBI MCLR (3 Months) +10 bps	352.50	349.45	352.50	341.58
		2,424.00	**2,401.81**	**2,424.00**	**2,348.48**

a. The loan is secured by (a) first ranking pari passu mortgage/ Security Interest in respect of all the immovable properties (excluding the forest land and land surrendered for rehabilitation and resettlement colony) (b) first ranking charge on movable assets (including movable machinery, machinery spares, tools and accessories) both present and future, pertaining to the project (c) second charge on the current assets of the Company (excluding cash, cash equivalents and investments) both present and future.

Term Loans are repayable in 60 quarterly instalments as per the agreed repayment schedule commenced from December 31, 2015. During the year ended March 31, 2018, the Company had voluntarily prepaid all repayment instalments falling due from September 30, 2017 to September 30, 2025 in case of State Bank of India amounting to ₹ 1,726.14 Crore and all instalments up to June 30, 2025 in case of Axis Bank amounting to ₹ 553.58 Crore. The balance principal would be paid as per remaining repayment schedule in quarterly instalments up to September 30, 2030.

16 Borrowings
(ii) Current

	Coupon Interest Rate	As at March 31, 2019	As at March 31, 2018
Secured, at Amortised Cost			
From Banks			
Cash Credit repayable on demand (Refer Note 'a' below)	[Refer note 'b' below']	14.88	12.18
		14.88	**12.18**

a. Cash Credit facilities with banks are availed under the consortium lending arrangement and are secured by (a) first pari-passu charge by hypothecation of investments classified as "held for trading", entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares, investments classified as "available for sale", stock-in trade and book debts pertaining to the company's business, both present and future and (b) second charge on the fixed assets of the Company.

b. The borrowings carry floating interest rate at MCLR (ranging from 3 months to one year) + Spread (ranging from 25 bps to 55 bps).

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17 Provisions

	As at March 31, 2019	As at March 31, 2018
(i) Non-Current portion of Provisions		
Others		
Asset Retirement Obligation for Redmud pond and Ash pond [Refer note 'a' and 'b' below]	9.41	8.73
Environmental Restoration (Greenbelt) [Refer note 'b' below]	1.55	2.53
Rehabilitation Cost relating to Mines [Refer note 'b' below]	25.63	28.93
Enterprise Social Commitments [Refer note 'b' below]	90.49	-
	127.08	**40.19**

	As at March 31, 2019	As at March 31, 2018
(ii) Current portion of Provisions		
Employee Benefits		
Leave entitlement	5.81	4.58
Others		
Environmental Restoration (Greenbelt) [Refer note 'b' below]	0.41	0.24
Rehabilitation Cost relating to Mines [Refer note 'b' below]	3.90	3.55
Enterprise Social Commitments [Refer note 'b' below]	12.15	-
Other Provisions [Refer note 'b' below]	16.90	10.98
	39.17	**19.35**

a. ₹ 8.71 Crore (As at March 31, 2018 : ₹ 8.08 Crore) is towards Asset retirement obligation of Red mud pond and ₹ 0.70 Crore (As at March 31, 2018 : ₹ 0.65 Crore) towards Asset retirement obligation of Ash pond.

b. The Company provides for the estimated provision required to rehabilitate quarries and mines developed, restore the red mud pond and ash pond area and towards environmental restoration obligations for developing green belt adjacent to refinery and mining area. The provision is provided based on the discounted net present value. Movement in provision during the period is as below:

	Enterprise Social Commitments	Environmental Restoration (Greenbelt)	Asset Retirement Obligation for Redmud pond and Ash pond	Rehabilitation Cost relating to Mines	Other Provisions
As at April 01, 2018	-	2.77	8.73	32.48	10.98
Arising during the year	102.64	-	-	-	5.92
Utilized during the year	-	(1.03)	-	(2.95)	-
Unwinding of discount during the year	-	0.22	0.68	-	-
As at March 31, 2019	**102.64**	**1.96**	**9.41**	**29.53**	**16.90**
Current	12.15	0.41	-	3.90	16.90
Non-Current	90.49	1.55	9.41	25.63	-
	102.64	**1.96**	**9.41**	**29.53**	**16.90**
As at April 01, 2017	-	3.00	8.10	29.64	8.10
Arising during the year	-	0.10	-	3.88	2.88
Utilized during the year	-	(0.56)	-	(1.89)	-
Unwinding of discount during the year	-	0.23	0.63	0.85	-
As at March 31, 2018	**-**	**2.77**	**8.73**	**32.48**	**10.98**
Current	-	0.24	-	3.55	10.98
Non-Current	-	2.53	8.73	28.93	-
	-	**2.77**	**8.73**	**32.48**	**10.98**

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18 Trade and other Payables

	As at March 31, 2019	As at March 31, 2018
Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises; and	0.77	0.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	173.56	175.33
Accrued Payroll	9.04	6.17
	183.37	**181.98**

19 Other Financial Liabilities

(i) Other Financial Liabilities : Non Current

	As at March 31, 2019	As at March 31, 2018
Derivative Liability	0.71	-
	0.71	-

(ii) Other Financial Liabilities : Current

	As at March 31, 2019	As at March 31, 2018
Capital Creditors [Refer note 'a' below']	93.71	77.98
Interest accrued but not due on borrowings	17.35	16.42
Debentures [Refer note 'b' below']	3.00	3.00
Dues payable to related parties [Refer note '36']	0.17	0.07
Derivative Liability	7.14	0.51
Other	0.05	0.03
	121.42	**98.01**

a. Capital creditors includes an amount of ₹ 20 Crore payable to Orissa Mining Corporation Limited (OMCL) pursuant to an agreement dated October 1, 2007 and subsequent addendum dated January 31, 2011 (' The agreement'). Pursuant to the above agreement, the Company has agreed to issue 15% Fully Convertible Cumulative Preference Shares amounting to ₹ 20 Crore with face value of ₹ 10 each at par in consideration for transfer of prospecting license, mining leases and all rights thereto, rendering of related technical services etc. by OMCL. These preference shares are redeemable to the extent the same are not converted to equity shares. Pending issuance of such Preference Shares, the obligation is recognized and included as a part of capital creditors.

b. In terms of Debenture Subscription Agreement between the Company and Orissa Mining Corporation Limited ('OMCL'), the Company issued during the period ended September 30, 2018, a Zero Coupon Unsecured Redeemable Non-Convertible Debentures of ₹ 3 Crore to OMCL towards its obligation to pay OMCL an amount equivalent to 15% per annum on ₹ 20 Crore as return up to March 31, 2019 which is due for redemption at par on September 30, 2019.

20 Contract Liabilities

	As at March 31, 2019	As at March 31, 2018
Contract Liabilities - Advance from Customers	0.23	0.09
	0.23	**0.09**

21 Other Current Liabilities

	As at March 31, 2019	As at March 31, 2018
Statutory Dues Payable	57.05	78.44
Other Liabilities	0.07	0.08
	57.12	**78.52**

22 Income Tax Liabilities (net)

	As at March 31, 2019	As at March 31, 2018
Provision for income tax	30.19	-
	30.19	-

Income Tax Liabilities of ₹ 30.19 Crore are net of advances of ₹ 353.17 Crore.

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23 Revenue from Operations

	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of Products (including excise duty)	4,071.26	2,862.69
Other Operating Revenues	1.74	0.68
	4,073.00	**2,863.37**

A. **Nature of goods and services**

The following is a description of principal activities separated by reportable segments from which the Company generates its revenue

The Company is engaged in the manufacturing of Alumina and generates revenue from the sale of Alumina and the same is only the reportable segment of the Company.

B. **Disaggregation of revenue**

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	Year Ended March 31, 2019
i) Primary Geographical Markets	
Within India	3,915.36
Outside India	155.90
Total	**4,071.26**
ii) Major Products	
Alumina	4,071.26
Others	-
Total	**4,071.26**
iii) Timing of Revenue	
At a point in time	4,071.26
Over time	-
Total	**4,071.26**
iv) Contract Duration	
Long Term	3,915.36
Short Term	155.90
Total	**4,071.26**
v) Sales Channel	
Direct to Customers	4,071.26
Through Intermediaries	-
Total	**4,071.26**

C. **Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Receivables, which are included in 'Trade receivables'	393.41
Contract assets	-
Contract liabilities	(0.23)
Total	**393.18**

D. **Other Information**

a. Transaction price allocated to the remaining performance obligations	Nil
b. The amount of revenue recognised in the current year that was included in the opening contract liability balance	Nil
c. The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil
d. Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil
e. Significant payment terms	
Financing Component	Nil
Volume Discount	744.81

E. The Company has consistently applied the accounting policies to all periods presented in these Standalone financial statements. The Company has adopted Ind AS 115 Revenue from Contracts with Customers with a date of initial application of 1 April 2018. As a result, the Company has changed its accounting policy for revenue recognition. The company has adopted modified retrospective approach and had applied Ind AS 115 only retrospectively to the current period by recognizing the cumulative effect of initially applying Ind AS-115 as an adjustment to the opening balance of retained earnings at the date of initial application i.e. April 1, 2018. Under the modified retrospective method, the comparative information in the financial statement is not restated and would be presented based on the requirements of the previous standards (e.g. Ind AS-18 / Ind AS-11).However there is no Impacts on financial statements with respect to change in accounting policy.

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24 Other Income

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income [Refer note 'a' below']	53.07	4.10
(Loss) on Fixed Assets sold/ discarded (Net)	(0.01)	(0.36)
Gain on sale of Current Investments (Net)	19.35	0.62
Gain on Fair valuation of Financial Assets measured at fair value through Profit and Loss (Net)	15.35	0.25
Miscellaneous Income [Refer note 'b' below']	29.30	16.18
	117.06	20.79

a. Includes ₹ 2.34 Crore (Previous year : ₹ 2.80 Crore) towards interest income earned on advances to supplier, ₹ 0.15 Crore (Previous year : ₹ 0.39 Crore) towards interest income on security deposits, ₹ 30.89 Crore (Previous year : ₹ 0.76 Crore) towards interest income on term deposits, ₹ 19.17 Crore (Previous year : ₹ Nil) towards interest received from Inter Corporate Deposits and ₹ 0.52 Crore (Previous year : ₹ 0.15 Crore) towards interest received from Income Tax Department.

b. The Company has evaluated the impact of restructuring of the term loan with the bank and accordingly recognised gain of ₹ 25.12 Crore (Previous year : ₹ 12.58 Crore) towards difference between the present value of restructured debt and carrying amount of the existing debt. Further Miscellaneous income includes rental income of ₹ 0.02 Crore (Previous year : ₹ 0.04 Crore).

25 Cost of Materials Consumed

	Year Ended March 31, 2019	Year Ended March 31, 2018
Raw Material Consumed		
Caustic Soda	332.26	372.82
Lime	28.95	18.52
Others	16.73	13.27
Packing Material Consumed	2.04	1.16
	379.98	405.77

26 Changes in Inventories of Finished Goods and Work-in-Progress

	Year Ended March 31, 2019	Year Ended March 31, 2018
Opening Inventories		
Work-In-Progress	221.44	203.01
Finished Goods	6.34	7.09
Total	227.78	210.10
Closing Inventories		
Work-In-Progress	240.96	221.44
Finished Goods	8.51	6.34
Total	249.47	227.78
Decrease/(Increase) in Inventories	(21.69)	(17.68)
Add: Decrease of Excise Duty on Inventories	-	(0.82)
	(21.69)	(18.50)

27 Employee Benefit Expense

	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries and Bonus	54.99	49.54
Contribution to Provident and other Funds [Refer note '50 I' below']	2.80	2.57
Gratuity [Refer note '50 II' below']	0.92	0.89
Employee Share based payment expenses [Refer note 'a' below']	0.18	*
Staff Welfare expenses	5.16	4.44
	64.05	57.44
Less: Transfer to Capital Work in Progress	(1.94)	-
	62.11	57.44

** Amount is below the rounding off norm adopted by the Company*

a. Certain employees of the Company have been granted Employee Stock Options of Hindalco Industries Limited, the Holding Company in earlier years and towards the same, the Holding Company had charged the Company.

28 Power and Fuel

	Year Ended March 31, 2019	Year Ended March 31, 2018
Power and Fuel	763.73	632.77
	763.73	632.77

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29 Finance Cost

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Expense [Refer note 'a' below']	202.39	305.62
Finance charges paid on Finance Lease	-	*
Unwinding of Discount on Provisions [Refer note '17']	0.90	1.71
Net Loss on foreign exchange transactions and translations [Refer note 'b' below']	-	0.08
Other Finance Cost [Refer note 'c' below']	78.63	12.63
	281.92	**320.04**
Less: Transfer to Capital Work in Progress	(4.28)	-
	277.64	**320.04**

** Amount is below the rounding off norm adopted by the Company*

a. Includes ₹ 198.30 Crore (Previous year : ₹ 292.48 Crore) towards interest on Term Loan from Banks, ₹ 0.75 crore (Previous year : ₹ 10.11 Crore) towards interest on Short-term Borrowings and ₹ 3.34 Crore (Previous year : ₹ 3.03 Crore) towards other interest expenses.

b. Represents the net exchange differences arising on Packing Credit facilities availed during the year in foreign currency to the extent considered as an adjustment to the interest cost.

c. Includes ₹ 15.42 Crore (Previous year : ₹ 7.98 Crore) towards amortisation of debt issuance cost incurred towards availment of term loan and ₹ 0.18 Crore (Previous year : ₹ 0.11) towards other finance charges and ₹ 63.03 Crore (Previous year : ₹ 4.54 Crore) towards amortisation of fair value benefit of the financial guarantee benefit provided by the Holding Company in respect of the Term Loan availed by the Company and Further in view of withdrawal of corporate guarantee, during the Year, by holding company the balance amount lying in Financial guarantee contract asset has been charged off.

30 Depreciation and Amortisation

	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment	298.66	297.80
Amortisation on Intangible Assets	2.32	1.01
	300.98	**298.81**

31 Other Expense

	Year Ended March 31, 2019	Year Ended March 31, 2018
Mining Expenses	142.07	147.28
Explosive Cost	9.31	8.39
Royalty	134.16	102.17
	285.54	257.84
Consumption of Stores and Spares [Refer note 'a' below]	68.19	68.69
Repair and Maintenance-Plant and Equipment	118.60	90.51
Repair and Maintenance-Others [Refer note 'b' below]	28.06	24.58
Rates and Taxes	5.33	5.38
Operating Lease payments (including Rent)	2.34	3.19
Insurance charges	5.76	6.95
Payment to Auditors [Refer note 'c' below]	0.48	0.49
Freight and Forwarding Expenses	9.88	1.44
Legal, Professional and Consultancy Fees	5.09	5.26
Travelling and conveyance	9.70	9.20
Expenditure on Corporate social responsibility activities	9.13	7.31
Director's Fees	0.01	0.03
Loss / (Gain) on foreign currency transactions and translation (Net)	9.10	(1.44)
Loss on Change in Fair Value of Derivatives (Net)	0.69	0.51
Security Expenses	9.55	9.23
Impairment in value of non-current assets held for distribution	-	0.05
Miscellaneous Expenses	83.60	70.23
	651.05	**559.45**
Less: Transfer to Capital Work in Progress	(0.37)	-
	650.68	**559.45**

a. Includes ₹ 4.32 Crore (Previous year : ₹ 4.63 Crore) towards provision for slow moving spares.

b. Includes ₹ 1.57 Crore (Previous year : ₹ 1.49 Crore) incurred towards repairs and maintenance of building.

c. Payment to Auditors

Statutory Auditors		
Statutory Audit fees	0.33	0.33
Tax Audit fees	0.05	0.05
Other services	0.07	0.08
Reimbursement of expense	0.02	0.02
Cost Audit Fees and Expenses	0.01	0.01
	0.48	**0.49**

32 Exceptional Income

	Year Ended March 31, 2019	Year Ended March 31, 2018
Basis a Hon'ble Supreme Court judgment, dated 13th October, 2017, and considering the prospective contribution required to be made to the District Mineral Fund (DMF) by the holder of a mining lease or a prospecting licence-cum-mining lease in addition to the payment of royalty, an amount of ₹ 11.44 Crore has been written back during the financial year 2017-18, which was provided/paid in earlier years relating to the period for which such levy was held invalid or not applicable.	-	11.44
The Company procures coal from various sources for its captive power generation units. During earlier years the company has procured coal from Coal India Limited based on fuel supply agreement and created provision on account of District Mineral Fund, amounting to ₹ 0.37 Crore in earlier years which has been written back during the financial year 2017-18, on the Basis a Hon'ble Supreme Court judgement, dated 13th October, 2017.		0.37
		11.81

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33 Tax Expenses

	Year Ended March 31, 2019	Year Ended March 31, 2018
a.Income tax expenses recognised in the statement of Profit and Loss		
Current Tax		
Current income tax expenses for the year	383.36	18.22
Tax Adjustment for earlier years	0.16	-
	383.52	**18.22**
Deferred Tax		
Deferred Income Tax Expenses for the year	369.76	-
MAT Credit Entitlement	(401.75)	-
	(31.99)	-
Total income tax expenses recognised in the statement of profit and Loss for the year	**351.53**	**18.22**
b.Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income		
Income from continued operations before income taxes	**1,776.63**	**579.51**
Indian Statutory Income Tax Rate*	**34.94%**	**34.61%**
Estimated income tax expenses	**620.83**	**200.56**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income Tax adjusted with brought forward Loss	-	(201.54)
Tax Assets for the earlier year not recognised	(282.60)	-
Tax payable at different rate	-	(0.09)
Tax payable at MAT	-	18.22
MAT Credit for earlier years	(18.38)	-
Tax Adjustment for earlier years	0.16	-
Expenses not deductible in determining taxable profit	26.83	2.71
Other adjustments	4.69	(1.64)
	(269.30)	**(182.34)**
Income Tax expense recognised in Profit and Loss	**351.53**	**18.22**

* Applicable Indian Statutory Income Tax rate for Fiscal 2019 and Fiscal 2018 is 34.944 % and 34.608% respectively. However, the Company is required to pay tax u/s 115JB of Income Tax Act 1961.

	March 31, 2019	March 31, 2018
c. Income Tax expense recognised in Other Comprehensive Income		
Re-measurement gain on defined benefit obligation	(2.50)	0.04
	(2.50)	**0.04**
d. Deferred tax assets/(liabilities) arise from:		
Deferred income tax assets		
Provision for Employee benefits	1.32	1.60
Other Timing Differences	3.83	4.45
Carried forward Business loses and Unabsorbed depreciation	876.00	1,482.77
Cash Flow Hedges	2.63	-
MAT Credit Entitlement	401.75	-
	1,285.53	**1,488.82**
Deferred income tax liabilities		
Depreciation and Amortization	1,237.96	1,201.73
Fair value measurements of financial instruments	5.37	0.13
Others	7.75	4.36
	1,251.08	**1,206.22**

e. Movement in Deferred tax assets and liabilities

	As at March 31,2018 #	Restatement/Re-classification Of Opening Liability*	Recognised in statement of Profit and loss	Recognised in Other comprehensive Income	As at March 31,2019
Deferred Income tax assets (A)					
Provision for Employee benefits	1.60	(0.56)	0.41	(0.13)	1.32
Other Timing Differences	4.45	0.27	(0.89)	-	3.83
Carried forward Business loses and Unabsorbed depreciation	1,482.77	(31.22)	(575.55)	-	876.00
Cash Flow hedges	-	-	-	2.63	2.63
MAT Credit entitlement	-	-	401.75	-	401.75
	1,488.82	**(31.51)**	**(174.28)**	**2.50**	**1,285.53**
Deferred Income tax Liability (B)					
Depreciation and Amortization	1,201.73	(26.74)	62.97	-	1,237.96
Fair value measurements of financial instruments	0.13	(0.04)	5.28	-	5.37
Others	4.36	-	3.39	-	7.75
	1,206.22	**(26.78)**	**71.64**	-	**1,251.08**
Net Deferred Tax assets (A-B) **	**282.60**	**(4.73)**	**(245.92)**	**2.50**	**34.45**

* ₹ 4.69 Crores Represents impact of reinstatement of opening tax asset/liability as per incometax return filled. ₹ 0.04 Crores represents reclassification of deferred tax liability from non current tax asset.

** Net deferred tax asset recognised in statement of profit and loss ₹ 31.99 Crores represents Opening unrecognised tax assets, Reversal of deferred tax assets on account of filing of incometax return and deferred tax recognised during the financial year amounting to ₹ 282.60 Crores, ₹ (4.69) Crores and ₹ (245.92) Crores respectively.

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All amounts in ₹ Crore, unless otherwise stated

	As at March 31,2017 #	Restatement Of Opening Liability ##	Recognised in statement of Profit and loss	Recognised in Other comprehensive Income	As at March 31,2018 #
Deferred Income tax assets (A)					
Provision for Employee benefits	1.54	0.20	(0.14)	-	1.60
Other Timing Differences	3.43	0.45	0.57	-	4.45
Carried forward Business loses and Unabsorbed depreciation	1,382.37	180.92	(80.52)	-	1,482.77
	1,387.34	**181.57**	**(80.09)**	-	**1,488.82**
Deferred Income tax Liability (B)					
Depreciation and Amortization	956.79	125.22	119.72	-	1,201.73
Fair value measurements of financial instruments	-	-	0.13	-	0.13
Others	2.44	0.32	1.60	-	4.36
	959.23	**125.54**	**121.45**	-	**1,206.22**
Net Deferred Tax assets (A-B)	**428.11**	**56.03**	**(201.54)**	-	**282.60**

Represents unrecognised deferred tax assets
Represents impact of reinstatement of opening tax asset/liability at tax rate of 34.944% against previously recognised tax rate of 30.90%

34 Other Comprehensive Income

	Year Ended March 31, 2019	Year Ended March 31, 2018
(i) Items that will not be reclassified to Profit and Loss		
-Re-measurement gain/(loss) on defined benefit obligation	0.36	0.13
Income tax effect on above	(0.13)	(0.04)
	0.23	**0.09**

	Year Ended March 31, 2019	Year Ended March 31, 2018
(ii) Items that will be reclassified to Profit and Loss		
-Cash Flow Hedges	(7.53)	-
Income tax effect on above	2.63	-
	(4.90)	-

35 Earnings Per Share (Basic and Diluted)

	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit after tax as per the Statement of Profit and Loss (₹ in Crore)	1,425.10	561.29
Weighted Average number of Equity shares outstanding	6,25,14,82,818	5,42,34,50,301
Earnings per share (Basic and Diluted) (₹)	2.28	1.03
Nominal value of an Equity Share (₹)	10	10

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36 Related Party Transactions

(A) Holding Company

The Company is controlled by the following entity:

Name	Principal Activity	Place of Incorporation	Ownership Interest % As at	
			March 31, 2019	March 31, 2018
Hindalco Industries Limited	Manufacturing of Aluminium and Copper products	India	100%	100%

(B) Subsidiary

Name	Principal Activity	Place of Incorporation	Ownership Interest % As at	
			March 31, 2019	March 31, 2018
Utkal Alumina Technical and General Services Limited	Business Auxiliary	India	-	100%

(C) Associate of Holding Company

Name	Principal Activity	Place of Incorporation
Aditya Birla Science and Technology Company Private Limited	Research and Development	India

(D) Other Related Party

Name	Principal Activity	Place of Incorporation
UAIL Employees Gratuity Fund	Gratuity benefit plan	India

(E)

Key management personnel	Mr. N. Nagesh (Chief Executive Officer w.e.f. August 01, 2016) Mr. Madhukar Manilal Bhagat (Non-Executive Director) Dr. Pragnya Ram (Non-Executive Director) Mr. Surya Kanta Mishra (Non-Executive Director) Mr. A K. Machher (Non-Executive Director) Mr. Bharat Bhushan Jha (Non-Executive Director, resigned w.e.f November 02, 2017) Mr. Jagdish Khattar (Non-Executive Director, resigned w.e.f March 30, 2018) Mr. Rabindra Mishra (Non-Executive Director upto April 06, 2017)

Managerial remuneration to Key management personnel :

Particulars	Name of the KMP/Director	Year Ended March 31, 2019	March 31, 2018
Short-term employee benefits	Mr. N Nagesh	1.10	1.01
Post-employment benefits	Mr. N Nagesh	0.05	0.04
Long-term employee benefits	Mr. N Nagesh	0.04	0.04
Professional Fees	Mr. S K Mishra	1.68	1.68
Sitting fees paid	Mr. M M Bhagath	0.01	0.02
Sitting fees paid	Mr. Jagdish Khattar	-	0.01
		2.88	**2.80**

(F) The following transactions were carried out during the year with the related parties :

I. Holding Company	Year Ended March 31, 2019	March 31, 2018
Purchase of Goods	-	0.11
Sale of Goods (including excise duty**)	3,914.26	2,845.98
Re-imbursement of expenses to the Company (including taxes***)	167.81	198.77
Share based payment expenses [Refer note '27']	0.18	*
Inter-Corporate Deposits Received	-	100.00
Repayment of Inter-Corporate Deposits	-	(100.00)
Interest paid on Inter-Corporate Deposits	-	1.63
Inter-Corporate Deposits Given	800.00	-
Refund of Inter-Corporate Deposits	(800.00)	-
Interest Received on Inter-Corporate Deposits	19.17	-
Issuance of Equity Shares	-	2,279.72
Rental of Fixed Assets	0.05	0.59
Purchase of Fixed Assets	0.12	0.01
Sale of Fixed Assets	0.13	*
Corporate Guarantee cancelled	(4,852.50)	-

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II. Associate of Holding Company

Research and Development services	0.89	-

III. UAIL Employees Gratuity Fund

Contribution made	0.01	2.58

* *Amount is below the rounding off norm adopted by the Company*

** Excise duty amounting to ₹ 60.65 Crore for the year ended March 31, 2018.

*** Includes ₹ 18.01 Crore for the Year ended March 31, 2019 and ₹ 22.57 Crore for the year ended March 31, 2018 towards taxes.

As there were no transactions with other parties, no disclosure has been made.

(G) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	As at	
Holding Company	**March 31, 2019**	**March 31, 2018**
Receivable against sale of goods	312.73	405.02
Receivable against re-imbursement of expenses	3.91	-
Other Payable	0.17	0.07
Payable against procurement of services	-	0.19
Payable against purchases of goods	-	-
Capital Contribution from Parent Company [Refer note '15']	74.41	74.41
Corporate Guarantee	-	4,852.50

As there were no balances outstanding against transactions with other parties, no disclosure has been made.

Terms and Conditions:
The above stated balances of financial assets and liabilities are unsecured and to be settled in cash.

37 The Company has entered into various leasing arrangements for office, leasehold land, residential premises, machineries and godowns which includes both cancellable and non-cancellable leases.

	Year Ended	
With respect to all operating leases:	**March 31, 2019**	**March 31, 2018**
Minimum Lease payments recognised in the Statement of Profit and Loss during the year [Refer note '31']	2.34	3.19
	2.34	**3.19**

Non-cancellable operating leases for leasehold land have no future minimum lease payment commitment as the Company has made upfront payment of lease rentals. Apart from that there are no other commitment for future minimum lease payment.

38 The Company does not have any finance lease arrangement. Accordingly there are no Future minimum lease payments under finance lease.

39 The carrying value of Financial Instruments by category:

	As at			
	March 31, 2019		**March 31, 2018**	
Financial Assets	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**
Investment in Preference Instruments	-	23.57	-	-
Loans	0.61	-	0.71	-
Trade Receivables	393.41	-	405.02	-
Cash and Cash Equivalents	0.37	987.44	100.29	66.87
Bank Balances other than Cash and Cash Equivalents	600.01	-	0.91	-
Other Financial Assets	41.58	*	4.00	-
	1,035.98	**1,011.01**	**510.93**	**66.87**
Financial Liabilities	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**
Borrowings	2,416.69	-	2,360.66	-
Current maturities of Long-Term Borrowings	-	-	-	-
Trade and other Payables	183.37	-	192.29	-
Other Financial Liabilities	114.28	7.85	97.50	0.51
	2,714.34	**7.85**	**2,650.45**	**0.51**

* *Amount is below the rounding off norm adopted by the Company*

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40 Fair Value of financial assets and financial liabilities measured at amortised cost

	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Liabilities Carried at Amortised Cost				
Non-Current Borrowings (including Current maturities)	2,401.81	2,434.03	2,348.48	2,429.29

a. The Company is having non-current financial assets amounting to ₹ 27.61 Crore (As at March 31, 2018 : ₹ 2.97 Crore). The fair value of these non-current financial assets is not materially different from its carrying value.

b. The carrying amounts of trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, trade payables, other current financial liabilities and short term borrowings are considered to be same as their fair values, due to their short term nature.

Valuation Technique

The fair value of non-current borrowings was calculated based on cash flows discounted using the current borrowing rate.

41 Finance Income and Finance Cost instrument category-wise classification

	Year Ended March 31, 2019		Year Ended March 31, 2018	
Income	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**
Interest Income *	52.55	-	3.95	-
	52.55	-	**3.95**	-
Expense				
Interest Expense **	197.77	-	305.61	-
	197.77	-	**305.61**	-

* the above amount of interest income does not include interest received from Income Tax Department of ₹ 0.52 Crores and ₹ 0.15 Crores for the year ended March 31, 2019 and March 31, 2018, respectively.

** the above amount of interest expense does not include interest pertaining to taxation and others finance costs of ₹ 79.87 Crores and ₹ 14.43 Crores for the year ended March 31, 2019 and March 31, 2018, respectively.

42 The following table provides the fair value measurement hierarchy of Assets and Liabilities

	As at			
	March 31, 2019		March 31, 2018	
	Fair Value measurement using Significant observable inputs			
	Level 1	Level 2	Level 1	Level 2
Financial Assets/Liabilities measured at Fair Value				
Financial Assets				
Cash and Cash Equivalents				
Liquid Investments in Mutual Funds	987.44	-	66.87	-
Investment in Preference Shares	-	23.57	-	-
Derivative Assets	-	*	-	-
	987.44	**23.57**	**66.87**	-
Financial Liabilities				
Derivative Liabilities	-	7.85	-	0.51
	-	**7.85**	-	**0.51**

** Amount is below the rounding off norm adopted by the Company*

43 Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

	As at	
	March 31, 2019	March 31, 2018
	Fair Value measurement using Significant observable inputs Level 2	
Financial Assets/Liabilities measured at Amortised Cost		
Financial Liabilities		
Borrowings	2,434.03	2,429.29

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44 Contingent Liabilities and Commitments

	As at	
	March 31, 2019	March 31, 2018
A. Claims against the Company not acknowledged as debt:		
Following demands are disputed by the Company and are not provided for :		
(i) Show cause cum demand notices from Central Excise Department, Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit availed by the Company during the period from December 2007 to June 2014. The case is pending for disposal before the Commissioner of Central Excise, Bhubaneswar.	11.48	11.48
(ii) Show cause cum demand notice dated July 22, 2015 from Central Excise Department, Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit availed by the Company during the period from July 2014 to December 2014. The case is pending for disposal before the Commissioner of Central Excise, Bhubaneswar.	0.37	0.37
(iii) Show cause cum demand notice dated August 22, 2016 from Central Excise, Customs and Service Tax Department (Audit), Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit availed by the Company during the period August 2011 to March 2014. Further equivalent penalty is imposed on the Company. The case is pending for disposal before the Commissioner of Central Excise, Customs and Service Tax, Bhubaneswar.	0.63	0.32
(iv) Show cause cum demand notice dated April 8, 2016 from Central Excise, Customs and Service Tax Department (Audit), Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit availed by the Company during the year 2011-12. The case has been disposed by the Commissioner of Central Excise, Customs and Service Tax, Bhubaneswar in favour of the Company.	-	1.79
(v) Show cause cum demand notice dated May 30, 2017 from Central Excise, Customs and Service Tax Department (Audit), Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit availed by the Company during the year 2015-16. The Case is pending for disposal before the Asst. Commissioner, Central Excise, Rayagada Division. The Asst. Commissioner confirmed the demand along with equivalent penalty and appeal have been filed with Commissioner appeal Bhubaneswar.	0.06	0.03
(vi) Show cause cum demand notice dated July 28, 2017 from Director General of Central Excise and Intelligence, Visakhapatnam, Andhra Pradesh, levying demand towards disallowance of cenvat credit availed by the Company during the period July 2012 to March 2016. The Case is pending for disposal before the Commissioner, GST, Central Excise & Custom, Bhubaneswar	34.69	34.69
(vii) Show cause cum demand notice dated July 26, 2017 from Central Excise, Customs and Service Tax Department , Rayagada, Odisha, levying demand towards disallowance of cenvat credit on Capital goods availed by the Company during the period July 2015 to December 2015. The Case is pending for disposal before the Asst. Commissioner GST, Central Excise & Custom, Bhubaneswar	0.04	0.04
(viii) Show cause cum demand notice dated July 24, 2017 from Central Excise, Customs and Service Tax Department (Audit), Bhubaneswar, Odisha, levying demand towards disallowance of cenvat credit goods availed by the Company during the year 2014-15. The Case is pending for disposal before the Commissioner GST, Central Excise & Custom, Bhubaneswar	0.58	0.58
(ix) Show cause cum demand notice dated January 24, 2018 from GST and Central Excise Department, Rayagada, Odisha, levying demand towards disallowance of cenvat credit on Capital goods availed by the Company during the period January 2016 to June 2017. The Case is pending for disposal before the Commissioner GST, Central Excise & Custom, Bhubaneswar	0.18	0.18
(x) Demand notice dated July 31, 2018 from Commercial tax and GST Rayagada, Odisha, levying demand towards disallowance of VAT credit availed by the Company during the period from October 2015 to March 2016. The case is pending for disposal before the Additional Commissioner of Commercial tax and GST, South Zone, Bhubaneswar.The learned Addl. commissioner has allowed the appeal partly vide order number AA (VAT)/7/2018-19 dt. 31.12.18 and against this second appeal have been filed before the TRIBUNAL	0.24	-
(xi) Demand notice dated 15-09-2018 from Commercial tax and GST Rayagada, Odisha, levying demand towards disallowance of VAT credit availed by the Company during the period from 01-04-16 to 30-06-2017. Appeal to be filed before the Additional Commissioner of Commercial tax and GST, South Zone, Bhubaneswar. The learned Addl. commissioner has allowed the appeal partly vide order number AA (VAT)/10/2018-19 dt. 31.12.18 and against this second appeal have been filed before the TRIBUNAL	0.16	-
(xii) Demand notice no 6579 dt. dated 19-09-2018 from Commercial tax and GST Rayagada, Odisha, levying demand towards Entry Tax presuming purchase from unregistered dealr. Appeal is laying before the Additional Commissioner of Commercial tax and GST, South Zone, Bhubaneswar.	0.01	-
(xiii) Letter dated 13-06-2018 from Assistant commissioner central excise and GST to reverse credit taken in TRANS-I return in respect of cess lying in central excise and service tax as on 30-06-2017.	4.15	-
	52.59	**49.48**

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B. The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

C. Commitments :

	As at	
	March 31, 2019	March 31, 2018
Capital Commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	972.28	101.42
Other Commitment		
Fuel Supply Agreement relating to coal	50.62	82.77

D. Performance Guarantee :

	As at	
	March 31, 2019	March 31, 2018
Guarantee given by Banks on behalf of the Company	0.75	0.75

45 Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company:

	As at	
	March 31, 2019	March 31, 2018
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.77	0.48
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.07	0.06
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day	0.73	0.65
(d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the	Nil	Nil
(e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act,	Nil	Nil
(f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.01	0.01
(g) Further interest remaining due and payable for earlier years.	0.06	0.05

46 **Segment Information**

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses earnings before interest, tax, depreciation and amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment's revenues, segment assets and segment liabilities on regular basis. The Company has determined its business segment as Alumina Refinery as the Company is engaged in manufacture of Alumina.

A. Description of segment

The Company is principally engaged in a single business segment viz., Alumina based on the nature of products, risk, returns and the internal business reporting system.

B. Geographical Information

	Year ended	
	March 31, 2019	March 31, 2018
i) Segment Revenue from external Customer		
Within India	3,917.10	2,847.63
Outside India	155.90	15.74
Total	**4,073.00**	**2,863.37**

	As at	
	March 31, 2019	March 31, 2018
ii) Carrying value of Non-Current assets (other than financial instruments)		
Within India	7,462.37	7,334.62
Outside India	-	-
Total	**7,462.37**	**7,334.62**

The toal of non-current Assets for this purpose excluding financial assets and deffered tax assets.

iii) Extent of reliance on major customers

Revenue (including excise duty) from a single major customer amounted to ₹ 3914.26 Crore (96.10% of total revenue) [Year ended March 31, 2018: ₹ 2845.98 Crore (99.39% of total revenue)] arising from sale of Alumina.

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47 Financial Risk Management

I. Market Risk

Other Price Risk

Alumina

The Company is engaged in a single business segment viz., Alumina. Substantial portion of Company's revenue is generated through domestic sales. In case of overseas sales, the pricing of alumina is dependent on price published on Metal Bulletin (MB). Since Alumina is not traded in any exchange, suitable instrument to hedge price fluctuation in Alumina is not available. Thus the Company remains exposed to the risk in Alumina price fluctuation in international market.

Coal

Alumina refinery and other associated operations require significant amount of power. Such power is mostly supplied through captive power generation units which are coal based. In order to meet the gap between requirement of coal and its availability in domestic market, coal is also imported. The domestic prices of coal are not linked to any internationally traded price whereas the imported coal is linked to internationally traded prices. The Company has not entered into coal commodity derivative as timing and quantum of import is not firm and depends on the availability of coal in domestic market.

Foreign Currency Exchange Risk

The net unhedged exposure towards foreign currency is insignificant and thus foreign currency derivatives are not entered into.

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR is as follows:

	As at March 31, 2019				As at March 31, 2018			
Currency Pair	**AUD**	**USD**	**EURO**	**ZAR**	**AUD**	**USD**	**EURO**	**ZAR**
Financial Liabilities								
Borrowings	-	-	-		-	-	-	
Trade Payable	0.03	14.81	0.04	-	0.07	65.02	1.02	0.36
Other Current Financial Liabilities	-	-	-	-	-	4.21	-	-
	0.03	14.81	0.04	-	0.07	69.23	1.02	0.36
Financial Assets								
Trade Receivables	-	80.68	-	-	-	-	-	-
	-	80.68	-	-	-	-	-	
Net Exposure	**0.03**	**(65.87)**	**0.04**	**-**	**0.07**	**69.23**	**1.02**	**0.36**
Less: Net Exposure Hedged	-	-	-	-	-	-	-	-
Unhedged Exposure	**0.03**	**(65.87)**	**0.04**	**-**	**0.07**	**69.23**	**1.02**	**0.36**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as under:

Particulars	**Impact on Profit after Taxation ****	
	March 31, 2019	**March 31, 2018**
AUD Sensitivity		
INR/AUD - increase by 10%	*	0.01
INR/AUD - decrease by 10%	(*)	(0.01)
USD Sensitivity		
INR/USD - increase by 10%	(5.17)	5.45
INR/USD - decrease by 10%	5.17	(5.45)
EUR Sensitivity		
INR/USD - increase by 10%	*	0.08
INR/USD - decrease by 10%	(*)	(0.08)
ZAR Sensitivity		
INR/ZAR - increase by 10%	-	0.03
INR/ZAR - decrease by 10%	-	(0.03)

* *Amount is below the rounding off norm adopted by the Company*

** Represents impact of tax rate of 21.5488 % against previous tax rate of 21.3416 %

II. Interest Rate Risk

The Company is exposed to interest rate risk on borrowing, both short-term and long-term. It maintains a balance of fixed and floating

Interest Rate Risk Exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	**March 31, 2019**	**March 31, 2018**
Variable rate of interest	2,416.69	2,360.66
Fixed rate of interest	-	-
Total Borrowings	**2,416.69**	**2,360.66**

At the end of the reporting period, the Company had the following variable rate borrowings

Particulars	**As at March 31, 2019**			**As at March 31, 2018**		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Cash Credit, Term Loan from banks	8.43%	2,416.69	100.0%	7.98%	2,360.66	100.0%

Profit or loss is sensitive to higher /lower interest rate expense from borrowings as a result of changes in interest rates.

Particulars	**Impact on Profit after taxation ***	
	Year ended March 31, 2019	**Year ended March 31, 2018**
Interest rate - increase by 50 basis points	9.54	13.23
Interest rate - decrease by 50 basis points	(9.54)	(13.23)

* Represents impact of tax rate of 21.5488 % against previous tax rate of 21.3416 %

All amounts in ₹ Crore, unless otherwise stated

III. Liquidity Risk

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. Thus, no liquidity risk is perceived at present.

Available liquidity is as follows :

	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	987.81	167.16
Availability under committed credit facilities	450.68	480.15
Total liquidity	**1,438.49**	**647.31**

The Cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

The contractual maturities of the Company's financial liabilities are as below:-

As at March 31, 2019	Less than 1 Year	Between 1 year and 2 years	Between 2 years and 5 years	Over 5 Years	Total Contractual Cash Flows	Carrying Amount
Non-Derivative						
Borrowings (excluding Finance Lease)- Refer note 'a'	219.75	204.31	613.49	3,260.42	4,297.97	2,416.69
Trade and Other Payables	183.37	-	-	-	183.37	183.37
Finance Lease Obligation	-	-	-	-	-	-
Other Financial Liabilities	114.28	-	-	-	114.28	114.28
Total	**517.40**	**204.31**	**613.49**	**3,260.42**	**4,595.62**	**2,714.35**
Derivative	7.85	-	-	-	7.85	7.85
	7.85	-	-	-	**7.85**	**7.85**

As at March 31, 2018	Less than 1 Year	Between 1 year and 2 years	Between 2 years and 5 years	Over 5 Years	Total Contractual Cash Flows	Carrying Amount
Non-Derivative						
Borrowings (excluding Finance Lease)- Refer note 'a'	205.52	193.87	580.03	3,409.51	4,388.93	2,360.66
Trade and Other Payables	192.29	-	-	-	192.29	192.29
Finance Lease Obligation	-	-	-	-	-	-
Other Financial Liabilities	97.50	-	-	-	97.50	97.50
Total	**495.31**	**193.87**	**580.03**	**3,409.51**	**4,678.72**	**2,650.45**
Derivative	0.51	-	-	-	0.51	0.51
	0.51	-	-	-	**0.51**	**0.51**

a. Contractual Cash flows towards borrowings includes ₹ 1859.09 Crore (As at March 31, 2018 : ₹ 1,952.75 Crore) towards future obligation for interest outgo on borrowings.

IV. Credit Risk

The Company is majorly exposed to counter party credit risk from trade receivables. The trade receivables are mainly due from holding Company, Hindalco Industries Limited. The company do not anticipate any credit risk and thus no expected credit loss provision has been made for counterparty credit risk. The other receivables due from third parties are secured against letter of credit or advance payment. No provision for bad debt has been recognised in any of the previous years.
Credit risk against other financial assets majorly comprises security deposits held with government authorities and involves insignificant credit risk.

48 Capital Management

Risk Management:

The Company's objectives when managing capital are to

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may issue new shares to reduce debt.
Consistent with other companies/ enterprises in the industry, the Company monitors capital on the basis of the following gearing ratio:

	As at March 31, 2019	As at March 31, 2018
Net debt	1,446.23	2,209.92
Total equity	7,065.88	5,645.45
Net debt to equity ratio	0.20:1	0.39:1

Net Debt represents Long-term Borrowings (including current maturities), short term borrowings, finance lease obligation (including current maturities), interest accrued but not due as reduced by cash and cash equivalents.

Loan Covenants:

The Company has complied with applicable covenants throughout the reporting periods.

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Utkal Alumina International Limited

49 Derivative Instruments and Unhedged Foreign Currency Exposure

The Company uses derivative financial instruments such as Forwards, Futures Swaps, Options etc. to hedge its risks associated with foreign exchange fluctuations. The fair values of all such derivative financial instruments are recognized as assets or liabilities at the balance sheet date.

(A) The Asset and Liability position of various outstanding derivative financial instruments is given below:

Particulars	Nature of Risk being Hedged	As at March 31, 2019 Liability	Asset	Net Fair Value	As at March 31, 2018 Liability	Asset	Net Fair Value
Current							
Cash flow hedges							
Foreign currency contracts	Exchange rate movement risk	(6.65)	-	(6.65)	-	-	-
Non-designated hedges							
Foreign currency contracts	Exchange rate movement risk	(0.49)	-	(0.49)	(0.51)	-	(0.51)
Total		(7.14)	-	(7.14)	(0.51)	-	(0.51)
Non - Current							
Cash flow hedges							
Foreign currency contracts	Exchange rate movement risk	-	-	-	-	-	-
Non-designated hedges							
Foreign currency contracts	Exchange rate movement risk	(0.71)	-	(0.71)	-	-	-
Total		(0.71)	-	(0.71)	-	-	-
Grand Total		(7.85)	-	(7.85)	(0.51)	-	(0.51)

The maturity profile for Commodity and Forex Exchange Forwards ranges from April 2019 to August 2020. Hedge Ratio of 1:1 is used by the Company.

(B) Outstanding position and fair value of various foreign exchange derivative financial instruments:

Particulars	Currency Pair	As at March 31, 2019 Average exchange rate	Notional Value (in Million)	Fair Value Gain/ (Loss) (₹ Crore)	As at March 31, 2018 Average exchange rate	Notional Value (in Million)	Fair Value Gain/ (Loss) (₹ Crore)
Foreign currency forwards							
Cash flow hedges							
Buy	EUR_INR	84.25	9.53	(5.91)		-	-
Buy	USD_INR	72.66	3.13	(0.74)		-	-
Total			12.66	(6.65)		-	-
Non-Designated							
Buy	EUR_INR	90.82	1.32	(1.12)		-	-
Buy	USD_INR	74.37	0.39	(0.08)	67.66	3.67	(0.51)
Total			1.71	(1.20)		3.67	(0.51)

(C) Details of amount held in Hedging Reserve and the period during which these are going to be released and affecting Statement of Profit & Loss:

	As at March 31, 2019 Closing Value in Hedging Reserve	Release In less than 12 Months	After 12 Months	As at March 31, 2018 Closing Value in Hedging Reserve	Release In less than 12 Months	After 12 Months
	Gain/ (Loss)	Gain/ (Loss)	Gain/ (Loss)	Gain/ (Loss)	Gain/ (Loss)	Gain/ (Loss)
Foreign currency Forwards						
EUR_INR	(6.76)	(6.76)	-	-	-	-
USD_INR	(0.77)	(0.77)	-	-	-	-
	(7.53)	(7.53)	-	-	-	-
Deferred Tax on above	2.63	2.63	-	-	-	-
Total	(4.90)	(4.90)	-	-	-	-

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Utkal Alumina International Limited

All amounts in ₹ Crore, unless otherwise stated

(D) Gain/(loss) recognized in Hedging Reserve and recycled during the year:

i. Amount of gain/(loss) recognized in Hedging Reserve and recycled during the year 2018-19:

	Opening Balance	Net Amount recognised	Net Amount to P&L	Recycled Net Amount added to Non-Financial Assets	Total Amount recycled	Closing Balance before tax
Cash Flow Hedges						
Forex	-	(7.52)	-	0.01	0.01	(7.53)
Total	-	**(7.52)**	-	**0.01**	**0.01**	**(7.53)**
Deferred Tax on	-	2.63	-	*	*	2.63

** Amount is below the rounding off norm adopted by the Company*

ii. Amount of gain/(loss) recognized in Hedging Reserve and recycled during the year 2017-18:

	Opening Balance	Net Amount recognised	Net Amount to P&L	Recycled Net Amount added to Non-Financial Assets	Total Amount recycled	Closing Balance before tax
Cash Flow Hedges						
Forex	-	-	-	-	-	-
Total	-	-	-	-	-	-
Deferred Tax on	-	-	-	-	-	-

(E) Net Foreign Currency exposures that are not covered by derivative instruments are as follows:

Particulars	As at March 31, 2019				As at March 31, 2018			
	Payable		Receivable		Payable		Receivable	
	Foreign Currency Amount (in '000)	₹ In Crore	Foreign Currency Amount (in '000)	₹ In Crore	Foreign Currency Amount (in '000)	₹ In Crore	Foreign Currency Amount (in '000)	₹ In Crore
USD	2,140.69	14.81	11,661.01	80.68	10,631.93	69.23	-	-
AUD	5.11	0.03		-	14.25	0.07	-	-
EURO	5.54	0.04		-	126.77	1.02	-	-
ZAR	-	-		-	644.13	0.36	-	-
Total		**14.88**		**80.68**		**70.68**		-

(F) The following table represents the estimated potential changes in the fair values of the foreign currency derivative instruments given a 10% change in their respective indexes :

Currency Pair	Increase in Price	As at March 31, 2019 NPV Change	Change in P&L	Change in OCI	As at March 31, 2018 NPV Change	Change in P&L	Change in OCI
USD_INR	10%	2.40	0.90	1.50	1.86	1.86	-
EUR_INR	10%	8.46	2.35	6.11	-	-	-
Total		**10.86**	**3.26**	**7.60**	**1.86**	**1.86**	-

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50 Employee Benefits Schemes

The Company has classified the various benefits provided to employees as under -

I Defined Contribution Plan

a. The Company contributes 12% of salary for all eligible employees towards Provident Fund managed by Central Government of India. During the year, the Company has recognised ₹ 2.22 Crore (Previous Year : ₹ 2.00 Crore) under "Contribution to Provident and other Funds" [Refer note '27']

b. The Company contributes a certain percentage of salary for all eligible employees in managerial cadre towards Superannuation Funds managed by Birla Sun Life Insurance. The amount debited to Statement of Profit and Loss during the year is ₹ 0.58 Crore (Previous Year : ₹ 0.57 Crore).[Refer note '27']

II Defined Benefit Plan

Gratuity

Employees who are in continuous service for a period of 5 years are eligible for gratuity. The gratuity plan is a funded plan and the Company make contributions to the fund. The Company maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The amount of gratuity payable on retirement / resignation is the employees last drawn basic salary per month computed proportionately based on years of service.

Period of Continuous Service	Normal Retirement	Resignation
Less than 5 years	Nil	Nil
Between 5 and 10 years	15/26*Salary*No of years of service	15/26*Salary*No of years of service
Between 10 and 15 years	21/26*Salary*No of years of service	15/26*Salary*No of years of service
More than 15 years	1*Salary*No of years of service	15/26*Salary*No of years of service

a. The major assumptions used to determine the present value of defined benefit obligation are as

	For the Year ended	
	March 31, 2019	March 31, 2018
Financial Assumptions:	(% p.a.)	(% p.a.)
Discount Rate	7.50	7.50
Salary Escalation Rate@	8.00	8.00

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

Demographic Assumptions:		
Mortality Rate	IALM (2006-08) (modified)Ultimate	IALM (2006-08) (modified) Ultimate
Withdrawal Rate-Management	5%	5%
Withdrawal Rate-Workmen	1%	1%
Retirement Age-Management	60 Years	60 Years
Retirement Age-Workmen	58 Years	58 Years

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All amounts in ₹ Crore, unless otherwise stated

b. Change in the Present Value of Obligation

	As at March 31, 2019	As at March 31, 2018
Defined Benefit Obligation at the beginning of the year	6.92	5.84
Current Service Cost	1.06	1.02
Interest Cost	0.51	0.41
Benefits paid	(0.17)	(0.03)
Actuarial (gain)/losses arising from changes in demographic assumptions	-	(0.58)
Actuarial (gain)/losses arising from changes in financial assumptions	-	0.30
Actuarial (gain)/losses arising from changes in experience adjustments	(0.58)	(0.04)
Closing Present Value of Obligation	**7.74**	**6.92**

c. Change in Fair Value of Plan Assets

	As at March 31, 2019	As at March 31, 2018
Opening Fair Value of Plan Assets	8.74	5.84
Contributions	0.01	2.58
Expected Return on Plan Assets	0.65	0.54
Actuarial Gain/ (Losses)	(0.22)	(0.19)
Benefits paid	(0.17)	(0.03)
Closing Fair Value of Plan Assets	**9.01**	**8.74**
Actual Return on Plan Assets	**0.43**	**0.35**

d. Reconciliation of Present Value of Defined Benefit Obligation and the fair value of Asset

	As at March 31, 2019	As at March 31, 2018
Present Value of Obligation as at the end of the Year	7.74	6.92
Fair Value of Plan Assets as at the end of the Year	9.01	8.74
Surplus/(Deficit) Funded Status at the end of the Year [(Refer Note 9 (ii)]	1.27	1.82
Present Value of Unfunded Obligation as at the end of the Period		
Unfunded Net Obligation	-	-
Deficit of gratuity plan	-	-

e. The following payments are expected contributions to the Defined Benefit Plan in future years:

	As at March 31, 2019	As at March 31, 2018
Within the next 1 year	0.47	0.52
Between 1 and 2 Years	0.52	0.72
Between 2 and 5 Years	2.30	2.20
Over 5 Years	79.14	66.64
	82.43	**70.08**

The weighted average duration of the defined benefit obligation as at March 31, 2019 is 11 years (As at March 31, 2018 is 10 years).

f. Expenses Recognised during the year

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	1.06	1.02
Interest Cost	0.51	0.41
Expected Return on Plan Assets	(0.65)	(0.54)
Net Actuarial (Gain)/ Losses	-	-
Total Expenses recognised in the Statement of Profit and Loss [Refer note '27']	**0.92**	**0.89**

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Utkal Alumina International Limited

All amounts in ₹ Crore, unless otherwise stated

g. Recognised in Other Comprehensive Income during the year

	For the Year Ended	
	March 31, 2019	March 31, 2018
Remeasurement of the net defined benefit liability		
Actuarial losses arising from changes in demographic assumptions	-	(0.58)
Actuarial losses arising from changes in financial assumptions	-	0.30
Actuarial losses arising from changes in experience assumptions	(0.58)	(0.04)
Remeasurement of the net defined benefit liability	**(0.58)**	**(0.32)**
Remeasurement - return on plan assets	0.22	0.19
	(0.36)	**(0.13)**

h. Composition of Plan Assets

	As at March 31, 2019		As at March 31, 2018	
	Percentage (Unquoted)	₹ In Crore (Unquoted)	Percentage (Unquoted)	₹ In Crore (Unquoted)
Insurance Funds	100%	9.01	100%	8.74
	100%	**9.01**	**100%**	**8.74**

All the plan assets are held within India.

i. A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below :

Assumptions	**Discount rate**		**Salary growth rate**	
Sensitivity Level	Increase of 1%	Decrease of 1%	Increase of 1%	Decrease of 1%
Impact on Defined Benefit Obligation	(0.74)	0.88	0.87	(0.74)

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below :

Assumptions	**Discount rate**		**Salary growth rate**	
Sensitivity Level	Increase of 1%	Decrease of 1%	Increase of 1%	Decrease of 1%
Impact on Defined Benefit Obligation	(0.59)	0.69	0.68	(0.59)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

III Other Employee Benefit

The liability for leave entitlement as at the year end is ₹ 5.81 Crore (As at March 31, 2018: ₹4.58 Crore)[Refer note '17 (ii)'].

The amount of provision is presented as current since the Company does not have an unconditional right to defer settlement of any of these obligations. However based on past experience, the Company does not expect all employees to take full amount of accrued leave or require payment within the next twelve months.

	As at	
	March 31, 2019	March 31, 2018
Current leave entitlement expected to be settled within one year	0.48	0.42

IV Risk Exposure

The risks commonly affecting the liabilities and the financial results are expected to be :

a. Interest rate risk :

The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields falls the defined benefit obligation will tend to increase.

b. Salary inflation risk:

Higher than expected increase in salary will increase the defined benefit obligation.

c. All the plan assets are invested in insurance funds.

All amounts in ₹ Crore, unless otherwise stated

51 Aditya Birla Management Corporation Private Limited (ABMCPL), an Aditya Birla Group Company, limited by guarantee provides common facilities and resources to certain companies of Aditya Birla Group with a view to optimize the benefits of specialization and minimize costs for group companies of Aditya Birla Group. The Company is one of the participants in the common pool and shares the expenses incurred by ABMCPL which are accounted for under the head "Other Expenses". The expenses incurred during the year ended March 2019 is ₹ 29.41 Crore (Year ended March 2018 : ₹ 15.11 Crore).

52 Additional Information

Details of Loans given covered under section 186(4) of the companies Act 2013:

Name of the Company	Relationship	Nature of transaction	As at March 31, 2019	As at March 31, 2018
Hindalco Industries Limited	Holding Company	Inter-Corporate Deposits for Working Capital	-	-

During the year, company has given Inter-Corporate deposits of ₹ 800 Crores on dated October 11, 2018 which has been received fully during the year.

53 Previous year figures have been reclassified to confirm to the current year's classification which are as below :

	Note No.	Line Item	Earlier Amount	Re-classified Amount	Reason
a.	**Reclassifications in "Statement of Profit and Loss"**				
	24	**Other Income**			
		Loss on Fixed Assets sold/discarded	-	(0.36)	In line of presentation of Holding Company
		Gain on foreign currency transactions and translation	1.44	-	In line of presentation of Holding Company
	31	**Other Expense**	-		
		Loss on Fixed Assets sold/discarded	0.36	-	In line of presentation of Holding Company
		Gain on foreign currency transactions and translation	-	(1.44)	In line of presentation of Holding Company
b.	**Reclassifications in "Balance Sheet"**				
	18	Trade and Other payables	192.29	181.98	In line of presentation of Holding Company
	17	Provisions	9.04	19.35	In line of presentation of Holding Company
c.	**Reclassifications in "Cash Flow Statement"**				
	18	Trade and Other payables	28.09	17.78	In line of presentation of Holding Company
	17	Provisions	0.41	10.72	In line of presentation of Holding Company

54 The management has evaluated all activity of the Company till April 30, 2019 and concluded that there were no additional subsequent events required to be reflected in the Company's financial statements.

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration Number: 302049E

Rajiv Singhi
Partner
Membership No. 53518

For and on behalf of the Board of Directors of
Utkal Alumina International Limited

S.K.Mishra
Director
DIN:02544268

A.K.Machher
Director
DIN:02797592

N.Nagesh
Chief Executive Officer

Shree Nath Mishra
Chief Financial Officer

Sunita Narayan
Company Secretary

Place: KOLKATA
Date : April 30, 2019

Place: Mumbai
Date : April 30, 2019

SINGHI & CO. ★ Chartered Accountants ★

Utkal Alumina International Limited ★

Singhi & Co.
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To the Members of HINDALCO ALMEX AEROSPACE LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of **HINDALCO ALMEX AEROSPACE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the 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 ("The Act" or "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 financial statements.

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

3. The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including its Annexures, and other report placed by the management before the members. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Ind AS 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.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

4. 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, 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 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 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. The 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

5. 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 standalone financial statements.

6. 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 system in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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

SINGHI & CO. Chartered Accountants

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.

7 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

8. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

9. 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, Statement of Changes in Equity and Statement of Cash Flow 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by

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Excise Duty, Cess and other material statutory dues is outstanding as at March 31, 2019, for a period of more than six months from the date they became payable.

b) There are no dues of Income tax, Sales tax, Service tax, Goods and Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not availed any loan from financial institution, bank, Government or issued any debenture during the year. Thus, the provisions of clause 3(viii) of the order are not applicable to the company.

ix. According to the information and explanation given to us by the management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company had not availed term loans from Bank. Thus, the provisions of clause 3(ix) of the order are not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. The Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order are not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under the Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

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, the provisions of the clause 3(xiv) of the Order are not applicable to the company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of the clause 3(xv) of the Order are not applicable to the company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.Accordingly, the provisions of the clause 3(xvi) of the Order are not applicable to the company.

For Singhi & Co.
Chartered Accountants
Firm's registration number: 302049E

Sudesh Choraria
Partner
Membership Number: 204936

Place: Mumbai
Dated: April 25, 2019

SINGHI & CO. ★ Chartered Accountants ★

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 9(f) of the Independent Auditor's Report of even date to the members of Hindalco-Almex Aerospace Limited on the Ind AS financial Statements as of and for the year ended March 31, 2019)

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

1. We have audited the internal financial controls over financial reporting of Hindalco-Almex Aerospace Limited ("the Company") as of March 31, 2019 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

2. 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 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

3. 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 was established and maintained and if such controls operated effectively in all material respects.

4. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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.

SINGHI & CO. ★ Chartered Accountants ★

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. 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:

   a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   b. 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 authorizations of management and directors of the Company; and

   c. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. 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

8. 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm's registration number: 302049E

Sudesh Choraria
Partner
Membership Number: 204936

Place: Mumbai
Dated: April 25, 2019

SINGHI & CO. ★ Chartered Accountants ★

Hindalco-Almex Aerospace Limited
Balance sheet as at March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,841.71	5,167.54
Capital work in progress	3	21.54	16.92
Intangible assets	4	-	-
Financial assets			
i. Loans	5(c)	-	0.08
ii. Other financial assets	5(e)	14.81	2.00
Other non-current assets	6	76.92	79.35
Total non-current assets		**4,954.98**	**5,265.89**
Current assets			
Inventories	7	1,261.59	1,024.75
Financial assets			
i. Investments	5(a)	1,908.67	1,663.40
ii. Trade receivables	5(b)	1,056.11	827.96
iii. Cash and cash equivalents	5(d)	93.86	15.38
iv. Loans	5(c)	0.08	0.24
v. Other financial assets	5(e)	-	-
Tax assets (net)	8	56.83	16.93
Other current assets	9	46.33	46.86
Total current assets		**4,423.47**	**3,595.52**
Total Assets		**9,378.45**	**8,861.41**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	8,855.79	8,855.79
Other equity			
Reserve and surplus	10(b)	(466.40)	(880.19)
Total equity		**8,389.39**	**7,975.60**
Liabilities			
Non-current liabilities			
Provisions	11	175.38	149.76
Deferred tax liabilities (net)	12	-	-
Total non-current liabilities		**175.38**	**149.76**
Current liabilities			
Financial Liabilities			
i. Trade and other payables	13(a)	580.88	479.66
ii. Other financial liabilities	13(b)	27.61	33.20
Provisions	11	185.32	150.24
Other current liabilities	14	19.86	72.95
Total current liabilities		**813.67**	**736.05**
Total liabilities		**989.05**	**885.81**
Total equity and liabilities		**9,378.45**	**8,861.41**
Significant Accounting Policies	1		

This is the balance sheet referred to in our report of even date.

For **SINGHI & CO.**
Firm Registration No: 302049E
Chartered Accountants

Sudesh Choraria
Partner
Membership No. 204936

Place: Mumbai
Dated: April 25,2019

SINGHI & CO. Chartered Accountants

For and on behalf of the Board of Directors

Director
DIN No.

Place: Mumbai
Dated: April 25,2019

Director
DIN No.

Place: Mumbai
Dated: April 25,2019

Shrikant Turalkar
Company Secretary

Place: Mumbai
Dated: April 25,2019

Suchit Naidu
Chief Financial Officer

Place: Mumbai
Dated: April 25,2019

Hindalco-Almex Aerospace Limited

Statement of profit and loss for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	Notes	For year ended March 31, 2019	For year ended March 31, 2018
Income			
Revenue from operations	15	7,582.25	6,394.27
Other income (net)	16	130.85	58.49
Total income		7,713.10	6,452.76
Expenses			
Cost of materials consumed	17	5,528.53	4,514.32
Changes in inventories of work-in-progress and finished goods	18	(156.64)	(237.31)
Employee benefit expenses	19	517.15	542.99
Power and Fuel expenses	20	349.20	314.65
Depreciation expenses	21	392.94	389.45
Other expenses	22	555.95	571.86
Finance costs	23	14.40	20.78
Total expenses		7,201.53	6,116.76
Profit/ (loss) before tax		511.58	336.00
Income tax expense:	24		
- Current tax		102.70	67.02
- Adjustment for current tax of prior periods		(21.08)	-
Total tax expense		81.62	67.02
Profit for the period		429.96	268.98
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligations		(16.18)	(11.58)
Total comprehensive income for the period		413.78	257.40
Earning/ (loss) per equity share			
- Basic and diluted (in Rs.)	31	0.24	0.15
Significant Accounting Policies	1		

This is the statement of profit and loss referred to in our report of even date.

For SINGHI & CO.
Firm Registration No: 302049E
Chartered Accountants

Sudesh Choraria
Partner
Membership No. 204936

Place: Mumbai
Dated: April 25,2019

SINGHI & CO. ★ Chartered Accountants ★

For and on behalf of the Board of Directors

Director
DIN No.
Place: Mumbai
Dated: April 25,2019

Director
DIN No.
Place: Mumbai
Dated: April 25,2019

Shrikant Turalkar
Company Secretary

Place: Mumbai
Dated: April 25,2019

Suchit Naidu
Chief Financial Officer

Place: Mumbai
Dated: April 25,2019

Hindalco-Almex Aerospace Limited
Statement of changes in equity
(All amounts in Rs. Lakhs, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at April 1, 2017		8,855.79
Changes in equity share capital	10(a)	-
As at March 31, 2018		**8,855.79**
Changes in equity share capital	10(a)	-
As at March 31, 2019		**8,855.79**

B. Other equity

Reserves and Surplus

	Retained Earnings	Remeasurements of post employment benefit obligations (OCI)	Total Amount
Balance at April 1, 2017	(1,130.40)	(7.19)	(1,137.59)
Profit for the period	268.98	-	268.98
Other comprehensive income	-	(11.58)	(11.58)
Total comprehensive income for the period	**268.98**	**(11.58)**	**257.40**
Balance at March 31, 2018	**(861.42)**	**(18.77)**	**(880.19)**
Balance at April 1, 2018	(861.42)	(18.77)	(880.19)
Profit for the period	429.96	-	429.96
Other comprehensive income	-	(16.18)	(16.18)
Total comprehensive income for the period	**429.96**	**(16.18)**	**413.78**
Balance at March 31, 2019	**(431.46)**	**(34.95)**	**(466.40)**

This is the statement of changes in equity referred to in our report of even date.

For **SINGHI & CO.**
Firm Registration No: 302049E
Chartered Accountants

Sudesh Choraria
Partner
Membership No. 204936

Place: Mumbai
Dated: April 25,2019

SINGHI & CO. ★ Chartered Accountants ★

For and on behalf of the Board of Directors

Director
DIN:
PKm
Place: Mumbai
Dated: April 25,2019

Director
DIN:
BAK
Place: Mumbai
Dated: April 25,2019

Shrikant Turalkar
Company Secretary

Place: Mumbai
Dated: April 25,2019

Suchit Naidu
Chief Financial Officer

Place: Mumbai
Dated: April 25,2019

Hindalco-Almex Aerospace Limited
Statement of cash flows for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

	For year ended March 31, 2019	For year ended March 31, 2018
Cash flow from operating activities		
Profit/ (loss) before tax	511.57	336.00
Adjustments for:		
Depreciation expenses	392.94	389.45
Loss on sale of property, plant and equipment	-	-
Miscellaneous income	(5.89)	-
Interest received on Income tax refund	(1.91)	-
Remeasurements of post employment benefit obligations	(16.18)	(11.58)
Unrealised (loss)/ gain on foreign currency transactions and translation (Net)	(0.03)	0.07
Allowance/(Reversal) for doubtful debts- trade receivables	1.72	5.80
Finance costs	14.40	20.78
Net gain on redemption of mutual funds (net)	(109.69)	(48.75)
Net gain on financial asset measured at fair value through profit or loss	(14.57)	(11.45)
	772.36	**680.32**
Changes in operating assets and liabilities		
(Increase)/ decrease in trade receivables	(229.87)	(195.55)
Decrease in loans	0.24	0.27
(Increase)/ decrease in inventories	(236.85)	(375.40)
Decrease/ (Increase) in other non-current assets	2.44	(3.07)
(Increase)/ decrease in other current assets	0.55	15.74
Increase/(decrease) in trade and other payables	101.26	70.83
Increase in provisions	60.69	102.20
Increase in other current liabilities	(53.09)	22.73
Cash generated from operations	**417.73**	**318.07**
Income tax Paid / refund (Net)	(122.31)	(105.27)
Net cash inflow from operating activities	**295.42**	**212.80**
Cash flow used in investing activities		
Payments for property, plant and equipment	(84.24)	(184.06)
Proceeds from sale of property, plant and equipment	-	-
Payments for purchase of current investments	(5,023.00)	(3,845.00)
Proceeds from sale of current investments	4,902.00	3,815.00
Net cash outflow used in investing activities	**(205.24)**	**(214.06)**
Cash flow used in financing activities		
Finance cost paid	(11.70)	(20.18)
Net cash outflow used in financing activities	**(11.70)**	**(20.18)**
Net increase/ (decrease) in cash and cash equivalents	**78.48**	**(21.44)**
Cash and cash equivalents at the beginning of the period	15.38	36.82
Cash and cash equivalents at the end of the period	93.86	15.38
Net increase/ (decrease) in cash and cash equivalents	**78.48**	**(21.44)**

This is the statement of cash flows referred to in our report of even date.

For **SINGHI & CO.**
Firm Registration No: 302049E
Chartered Accountants

Sudesh Choraria
Partner
Membership No. 204936

Place: Mumbai
Dated: April 25,2019

SINGHI & CO. * Chartered Accountants *

For and on behalf of the Board of Directors

Director
DIN:
PKM
Place: Mumbai
Dated: April 25,2019

Director
DIN:
Place: Mumbai
Dated: April 25,2019

Shrikant Turalkar
Company Secretary

Place: Mumbai
Dated: April 25,2019

Suchit Naidu
Chief Financial Officer

Place: Mumbai
Dated: April 25,2019

Hindalco-Almex Aerospace Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Background

Hindalco-Almex Aerospace Limited is a Company limited by shares incorporated and domiciled in India. The Company is exclusively engaged in the business of manufacturing, processing and dealing in aluminium billets. The Company has been granted approval to set-up authorised SEZ operations vide letter no. SEEPZ SEZ/NEW SEZ/MIDC-Shendre/01/LOA-01/2007-08/2198 dated April 5, 2007, by Government of India, Office of the Development Commissioner SEEPZ Special Economic Zone ('SEZ'), Ministry of Commerce and Industry, at the SEZ developed by MIDC Shendre at Aurangabad.On February 21, 2019 , the company has applied for de-notification of the SEZ status and the matter is pending.

The registered office of the Company is at "Ahura Centre", B Wing , 1st Floor, Mahakali Caves Road, Andheri (East) , Mumbai - 400 093 and it has its principal place of business at Plot no. AL-1, SEZ, MIDC, Shendra, Aurangabad - 431 007. These financial statements are presented in Rupees (Rs.) Lakhs

The financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended March 31, 2019 were approved and authorised for issue by the Board of Directors at their meeting held on April 25, 2019

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preperation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that is measured at fair value as stated in subsequent policies.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.
The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The chief operating decision maker is the Unit Head. Refer note 28 for segment information presented.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. These gains/ (losses) are presented in the statement of profit and loss on a net basis within other income.

(d) Revenue recognition

Effeective April 1, 2018, the company adopted Ind AS 115 " Revenue from contract with customers ". The effect on adoption of Ind AS 115 was insignificant. Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. Amounts disclosed as revenue are net of value added taxes/ Goods and service tax.

Accordingly, the Company recognises revenue when
(a) it has satisifed its performance obligation and the customer has obtained control of the goods.
(b) the amount of revenue can be reliably measured.
(c) it is probable that future economic benefits associated with the transaction will flow to the Company.

(e) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company enters into certain derivative contracts to hedge risk which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).

SINGHI & CO. * Chartered Accountants *

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

As a lessee:
Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(h) Impairment of assets

All assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(k) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases after deducting rebates and discounts. Cost of work-in- progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure but excluding interest expense, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Cost of raw material and stores and spares is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Investments and other financial assets

(i) Classification
The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

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(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Financial liabilities

Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

Derecognition:

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

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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(All amounts in Rs. Lakhs, unless otherwise stated)

(n) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods and estimated useful lives
Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 except in respect of plant and machinery and building wherein the estimated useful lives are different than those under Schedule II to the Companies Act, 2013 based on a technical evaluation done by the Management.

Asset	Useful life
Plant and Machinery	8/ 25 years
Building	3/10/30 years
Computers	3 years
Office equipments	5 years
Servers	6 years
Furniture	10 years
Motor cars	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

(o) Intangible assets

Intangible assets are amortised over their estimated useful lives on straight line basis. Amortisation on additions/ deletions to intangible assets is calculated pro-rata from/ up to the date of such additions/ deletions.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(q) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(r) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations
The liability for earned leave and sick leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. It is therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations
The Company operates the following post-employment schemes:

(a) defined benefit plans for gratuity; and
(b) defined contribution plans such as provident fund, employee pension scheme and superannuation fund.

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(a) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Gratuity liability is funded with the Life Insurance Corporation of India.

The present value of the defined benefit obligation denominated in Rs. Lakhs is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(b) Defined contribution plans

- Provident fund and employee pension scheme

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

- Superannuation fund

The Company contributes on a defined contribution basis to superannuation towards post employment benefits, which is administered by Life Insurance Corporation (LIC) administered superannuation fund and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Contributed equity

Equity shares are classified as equity.

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.

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Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

i Useful life and impairment of property, plant and equipment

Useful life:

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, considering useful life as per Companies Act 2013. Increasing an asset's expected life would result in a reduced depreciation charge in the income statement.

The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically, changes in useful lives have not resulted in material changes to the Company's depreciation charge.

Impairment:

Ind AS requires management that the Company shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company shall estimate the recoverable amount of the asset.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;
- long-term growth rates and
- the selection of discount rates to reflect the risks involved.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Company's impairment evaluation and hence results. The Company's review includes the key assumptions related to sensitivity in the cash flow projections.

ii Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the approved budgets of the Company. Where the temporary differences are related to losses, local tax law is considered to determine the availability of the losses to offset against the future taxable profits as well as whether there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company. Significant items on which the Company has exercised accounting judgement include recognition of deferred tax assets in respect of losses. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgement as described above.

iii Actuarial valuation

Employee Benefits requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations and plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected long- term increase in salary costs and discount rates. Substantial changes in the assumed development of any one of these variables may significantly change the Company's retirement benefit obligation and pension assets.

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Hindalco-Almex Aerospace Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

	Building	Plant and Machinery	Computers and servers	Office Equipment	Motor Cars	Furniture	Total	Capital work-in-progress
Year ended March 31, 2018								
Gross carrying amount								
Opening as at April 01,2017	1,535.83	7,386.90	54.00	31.26	32.08	37.04	9,077.11	-
Additions	128.97	65.63	1.35	4.39	-	-	200.34	16.92
Disposals	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-
Closing gross carrying amount	1,664.80	7,452.53	55.35	35.65	32.08	37.04	9,277.45	16.92
Accumulated Depreciation								
Opening as at April 01,2017	426.71	3,199.98	35.77	28.40	2.64	26.96	3,720.46	
Depreciation charge during the year	55.54	314.71	7.98	2.27	4.02	4.93	389.45	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation	482.25	3,514.69	43.75	30.67	6.66	31.89	4,109.91	-
Net carrying amount	1,182.55	3,937.84	11.60	4.98	25.42	5.15	5,167.54	16.92
Year ended March 31, 2019								
Gross carrying amount								
Opening gross as at April 01,2018	1,664.80	7,452.53	55.35	35.65	32.08	37.04	9,277.45	-
Additions	-	39.07	6.59	9.05	12.68	6.65	74.04	21.54
Disposals	2.80	10.01	10.45	15.01	-	-	38.27	-
Closing gross carrying amount	1,662.00	7,481.59	51.49	29.69	44.76	43.69	9,313.22	21.54
Accumulated Depreciation								
Opening gross as at April 01,2018	482.25	3,514.69	43.75	30.67	6.66	31.89	4,109.91	-
Depreciation charge during the year	64.04	313.06	6.03	1.59	4.88	3.34	392.94	-
Disposals	0.87	5.02	10.45	15.01	-	-	31.35	-
Closing accumulated depreciation	545.42	3,822.73	39.33	17.25	11.54	35.23	4,471.50	-
Net carrying amount	1,116.58	3,658.86	12.16	12.44	33.22	8.46	4,841.72	21.54

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

Note 4: Intangible assets

	Name Use License	Technology and Software License	Total
Year Ended March 31, 2018			
Gross carrying amount			
Opening as at April 01,2017	2,757.20	2,865.68	5,622.88
Additions	-	-	-
Closing gross carrying amount	**2,757.20**	**2,865.68**	**5,622.88**
Accumulated amortisation			
Opening as at April 01,2017	2,757.20	2,865.68	5,622.88
Amortisation charge during the year	-	-	-
Closing accumulated amortisation	**2,757.20**	**2,865.68**	**5,622.88**
Net carrying amount	-	-	-
Year Ended March 31, 2019			
Gross carrying amount			
Opening gross as at April 01,2018	2,757.20	2,865.68	5,622.88
Additions	-	-	
Closing gross carrying amount	**2,757.20**	**2,865.68**	**5,622.88**
Accumulated amortisation			
Opening gross as at April 01,2018	2,757.20	2,865.68	5,622.88
Amortisation charge during the year	-	-	-
Closing accumulated amortisation	**2,757.20**	**2,865.68**	**5,622.88**
Net carrying amount	-	-	-

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

Note 5: Financial assets

5(a) Current investments

	As at March 31, 2019	As at March 31, 2018
Investments in mutual funds at FVTPL		
Unquoted		
Aditya Birla Sun Life Cash Plus - Growth- Direct Plan- 635,297 Units (March 31, 2018: 595,530 Units)	1,908.67	1,663.40
Total current investments	1,908.67	1,663.40
Aggregate amount of unquoted investments	1,908.67	1,663.40

5(b) Trade receivables - current

	As at March 31, 2019	As at March 31, 2018
Trade Receivables*	1,069.79	839.92
	1,069.79	839.92
Less: Allowance for Doubtful Debts	(13.68)	(11.96)
Total receivables	1,056.11	827.96
Break up of security details		
Unsecured, Considered Good	1,056.11	827.96
Unsecured, Considered Doubtful	13.68	11.96
Total	1,069.79	839.92
Allowance for Doubtful Debts	(13.68)	(11.96)
Total trade receivables	1,056.11	827.96

* There are no trade receivables which have significant increase in credit risk

5(c) Loans

	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, Considered Good				
Loan to employees	0.08	-	0.24	0.08
Total loans	0.08	-	0.24	0.08

5(d) Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Balance with banks		
- in current and cash credit accounts	93.53	15.23
Cash on hand	0.33	0.15
Total cash and cash equivalents	93.86	15.38

There are no repatriation restriction with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

5(e) Other financial assets

	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, Considered Good				
- Security Deposits	-	14.81	-	2.00
Total other financial assets	-	14.81	-	2.00

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Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

Note 6: Other non-current assets

	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	2.75	4.34
Prepaid rent - leasehold land (un-amortised expenditure)	70.78	71.62
Others	3.39	3.39
Total other non-current assets	**76.92**	**79.35**

Note 7: Inventories

	As at March 31, 2019	As at March 31, 2018
Raw Materials	302.89	269.65
Stores and Spares	293.71	246.74
Work-in-Progress (Aluminium billets)	664.99	508.36
Total inventories	**1,261.59**	**1,024.75**
Detail of inventories in transit		
Raw Materials	185.57	48.83
Total inventories in transit	**185.57**	**48.83**

Note 8: Current tax Asset /(Liability) (Net)

	As at March 31, 2019	As at March 31, 2018
Opening balance	16.93	(20.72)
Add: Taxes paid	122.31	105.27
Add: Income Tax Refund Receivable	22.99	-
Less: current tax payable for the year (including interest)	105.40	67.62
Closing balance	**56.83**	**16.93**

Note 9: Other current assets

	As at March 31, 2019	As at March 31, 2018
Prepaid rent - leasehold land (un-amortised expenditure)	0.84	0.84
Prepaid expenses	5.81	8.68
Advance to suppliers and others	31.76	24.84
Goods and Service Tax Receivable	3.00	-
Balance with Custom Authorities	4.92	12.50
Total other current assets	**46.33**	**46.86**

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Note 10: Equity share capital and other equity

10(a) Equity share capital

Authorised equity share capital	Number of Shares (in Lakhs)	Amount
As at April 01, 2017	4,500.00	22,500.00
Increase during the year		
As at March 31, 2018	**4,500.00**	**22,500.00**
Increase during the period	-	-
As at March 31, 2019	**4,500.00**	**22,500.00**

(i) Movements in equity share capital	Number of Shares (in Lakhs)	Amount
As at April 01, 2017	1,771.16	8,855.79
Increase during the year	-	-
As at March 31, 2018	**1,771.16**	**8,855.79**
Increase during the year	-	-
As at March 31, 2019	**1,771.16**	**8,855.79**

Terms/ rights attached to equity shares:
Equity shares have a par value of Rs.5. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(ii) Shares of the Company held by holding company	Number of Shares (in Lakhs)	
	March 31, 2019	March 31, 2018
Hindalco Industries Limited (holding company)	1,721.16	1,721.16

(iii) Details of shareholders holding more than 5% Shares in the Company:

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of Shares (in Lakhs)	% of Holding	Number of Shares (in Lakhs)	% of Holding
Hindalco Industries Limited	1,721.16	97.18	1,721.16	97.18

10(b) Reserves and surplus	As at March 31, 2019	As at March 31, 2018
Retained Earnings	(466.40)	(880.19)
Total reserves and surplus	**(466.40)**	**(880.19)**

Retained Earnings	As at March 31, 2019	As at March 31, 2018
Opening balance	(880.18)	(1,137.59)
Net profit for the year	429.96	268.98
Item of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligations	(16.18)	(11.58)
Closing balance	**(466.40)**	**(880.19)**

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

Note 11: Provisions

	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Provisions for employee benefits				
Leave Obligations	4.90	61.89	5.03	59.3
Gratuity	-	113.49	-	90.4
Total Provisions for employee benefits	4.90	175.38	5.03	149.7
Other provisions:				
Provision for SEZ charges	119.60	-	101.20	-
Provision for Wage settlement	60.82	-	44.01	-
Total other provisions	180.42	-	145.21	-
Total provisions	185.32	175.38	150.24	149.7

(i) Information about individual other provisions

a) SEZ Charges

On the basis of demand raises by developer for SEZ charges amounting to Rs.73.60 Lakhs for the period from April 28, 2009 to September 28, 2012,provisi for Rs 18.40 Lakhs (March 31,2018: Rs 18.40 Lakhs) is provided the company for the period ended March 31,2019.

b) Workers Wage Settlement

In september 2017 the company had offered a settlement plan to the unionised workers. Certain workers had accepted the offer and the payments we accordingly made. Remaining workers are yet to accept the offer. Pending final settlement, the management has made appropriate provision for the same in t financial statements

(ii) Movement in other provisions

Movement in provision during the financial year are set out below:

	SEZ Charges	Wage Settlement	Total Amoun
As at April 1, 2018	101.20	44.01	145.2
Charged to profit or loss	18.40	16.80	35.2
Amounts paid during the period	-	-	-
As at March 31, 2019	119.60	60.81	180.4

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Note 12: Deferred Tax Liabilities (Net)

	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities:		
Property, plant and equipment	590.32	615.18
Financial asset measured at fair value through profit or loss	4.05	3.54
	594.37	618.72
Deferred Tax Assets to the extent of deferred tax liability:		
Set-off of deferred tax liabilties pursuant to set-off provisions	594.37	618.72
	594.37	618.72
Deferred Tax Liabilities (Net)	-	-

(i) The following deferred tax assets have not been recognised at the reporting date:

Unabsorbed Depreciation (to be utilised for indefinite period)	1,995.46	2,294.64
Business Loss		
- FY 2009-10 (to be utilised till FY 2017-18)	-	21.48
Total	**1,995.46**	**2,316.12**

Note 13: Financial liabilities - current

13(a) Trade and other payables

	As at March 31, 2019	As at March 31, 2018
Trade payables		
Micro and Small Enterprises (Refer Note 33)	2.38	1.66
Other than Micro and Small Enterprises	553.08	213.75
Trade Payables to related parties (Note 29)	1.54	238.22
Total trade payables	**557.00**	**453.63**
Other payables		
Accrued payroll:		
- Key Managerial Personnel ("KMP")	2.68	2.89
- Others	21.20	23.14
Total other payables	**23.88**	**26.03**
Total trade and other payables	**580.88**	**479.66**

13(b) Other financial liabilities

	As at March 31, 2019	As at March 31, 2018
Creditors for capital expenditure	27.61	33.20
Total other financial liabilities	**27.61**	**33.20**

Note 14: Other current liabilities

	As at March 31, 2019	As at March 31, 2018
Advance received from customer	7.68	61.98
Statutory dues	12.17	10.97
Total other current liabilities	**19.85**	**72.95**

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Note 15: Revenue from Operations

	For year ended March 31, 2019	For year ended March 31, 2018
Sale of products		
Finished goods (Aluminium billets)	7,529.27	6,335.46
Other operating revenues		
Scrap sales	52.98	58.81
Total revenue from operations	**7,582.25**	**6,394.27**

Note 16: Other income

	For year ended March 31, 2019	For year ended March 31, 2018
Net gain on redemption of mutual funds	109.69	48.76
Net gain on financial asset measured at fair value through profit or loss	14.57	11.45
Interest received on deposit	2.26	
Interest received on Income tax refund	1.91	
Miscellaneous receipt	5.89	-
Loss on Foreign Currency Transactions and Translation (net)	(3.47)	(0.06)
(Loss)/ gain on settlement of derivatives (net)	-	(1.66)
Total other income	**130.84**	**58.49**

Note 17: Cost of Materials Consumed

Raw material at the beginning of the year	269.65	157.40
Add : Purchases	5,561.76	4,626.57
Less : Raw material at the end of the year	302.89	269.65
Total cost of materials consumed	**5,528.52**	**4,514.32**

Note 18: Changes in Inventories of Work-in-Progress and Finished Goods

	For year ended March 31, 2019	For year ended March 31, 2018
Opening balance		
Work-in-Progress	508.36	271.06
Total opening balance	**508.36**	**271.06**
Less: Closing balance		
Work-in-Progress	664.99	508.36
Total closing balance	**664.99**	**508.36**
Total changes in Inventories of Work-in-Progress and Finished Goods	**(156.63)**	**(237.30)**

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Note 19: Employee benefit expenses

	For year ended March 31, 2019	For year ended March 31, 2018
Salaries, Wages, Allowances and Other Benefits	447.28	477.88
Contribution to Provident and Other Funds (Refer note below)	33.91	25.96
Gratuity	17.11	19.95
Staff and Labour Welfare expenses	18.85	19.20
Total employee benefit expenses	**517.15**	**542.99**

Note:
Defined contribution plans:
a. Employers' Contribution to Provident Fund and Employee's Pension Scheme, 1995
b. Superannuation fund

During the period, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

	For year ended March 31, 2019	For year ended March 31, 2018
Employers' Contribution to Provident Fund and Employee's Pension Scheme	29.58	20.41
Superannuation fund	4.33	5.55
Total Expenses recognised in the Statement of Profit and Loss	**33.91**	**25.96**

Note 20: Power and fuel expenses

	For year ended March 31, 2019	For year ended March 31, 2018
Electricity charges	93.46	76.44
Fuel charges	255.74	238.21
Total power and fuel expenses	**349.20**	**314.65**

Note 21: Depreciation expenses

	For year ended March 31, 2019	For year ended March 31, 2018
Depreciation expenses	392.94	389.45
Total depreciation expenses	**392.94**	**389.45**

Note 22: Other expenses

		For year ended March 31, 2019	For year ended March 31, 2018
Consumption of stores and spares		87.09	96.47
Rates and taxes		28.32	33.16
Lease rent expenses [Refer note 32(a)]		41.29	40.12
Amortisation of leasehold land [Refer note 32(b)]		0.84	0.84
Communication expenses		2.13	2.75
Travelling and conveyance		68.78	64.25
Printing and stationery		3.48	3.08
Legal and professional fees		51.55	39.74
Payment to Auditors (Refer Note below)		12.75	12.75
Freight expense		1.57	1.72
Insurance		15.04	10.84
Repairs to Buildings		9.14	10.87
Repairs to Machinery		110.72	138.62
Packing expenses		14.53	11.73
Water charges		8.55	8.36
Allowance for doubtful debts- trade receivables	5.98	-	
Less: Recovery of doubtful debts-trade receivables	4.26	-	
Allowance/(Reversal) for doubtful debts- trade receivables		1.72	5.80
Watch and ward expenses		33.11	28.89
Information technology maintenance		19.56	20.04
Miscellaneous expenses		45.80	41.84
Total other expenses		**555.97**	**571.87**

Note:
Details of payment to auditors

	For year ended March 31, 2019	For year ended March 31, 2018
As Auditors:		
Audit Fee	9.00	9.00
Interim Financial Statements	2.25	2.25
Tax audit Fee	1.50	1.50
In other capacities:		
Reimbursement of expenses	-	-
Total	**12.75**	**12.75**

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Note 23: Finance costs

	For year ended March 31, 2019	For year ended March 31, 2018
Interest Expenses	10.49	18.68
Interest on shortfall of advance tax	2.70	0.60
Bank Charges	1.21	1.50
Total finance costs	**14.40**	**20.78**

Note 24: Income tax expense

	For year ended March 31, 2019	For year ended March 31, 2018
Current tax on profit for the year	102.70	67.02
Adjustment for current tax of prior periods *	(21.08)	-
Total income tax expense	**81.62**	**67.02**

* represents Income Tax refund for earlier year which was expensed to the Statement of Profit and Loss of that year

(a) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	For year ended March 31, 2019	For year ended March 31, 2018
Profit/ (loss) before tax and interest on shortfall of advance tax	514.28	336.61
Tax amount at the rate of Indian tax rate of 27.82%	**143.07**	**111.29**
Reconciling items:		
- Difference in tax at normal rate and MAT	-	(42.66)
- Set-off of book losses as per the provisions of Section 115JB of the Income Tax Act, 1961	(37.80)	-
- OCI Items that will not be reclassified to profit or loss for F.Y. 2018-19	(3.33)	(2.36)
- Net gain on financial asset mandatorily measured at fair value through profit or loss	0.75	0.75
-Adjustment for current tax of prior periods	(21.08)	-
	81.62	**67.02**

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Note 25: Fair Value Measurements

Financial instruments by category

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
-Investments	1,908.66	-	1,663.40	-
-Trade receivables	-	1,056.10	-	827.96
-Cash and cash equivalents	-	93.85	-	15.38
-Loans to employees	-	0.08	-	0.32
-Other financial assets				
-Security Deposit	-	14.81	-	2.00
-Unapplied Advance with Asset Management Company for purchase of Mutual funds	-	-	-	-
Total financial assets	**1,908.66**	**1,164.84**	**1,663.40**	**845.66**
Financial liabilities				
-Trade Payables	-	580.88	-	479.66
-Creditors for capital expenditure	-	27.61	-	33.20
Total financial liabilities	-	**608.49**	-	**512.86**

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(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Assets measured at Fair Value-recurring fair value measurements

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Investments in Mutual funds-Growth plan	5(a)	-	1,908.66	-	1,908.66
Total financial asset		-	1,908.66	-	1,908.66

Assets measured at amortised cost for which fair value is disclosed

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
-Security Deposit	5(e)		-	14.81	14.81
-Loans to Employees	5(c)		-	0.08	0.08
Total financial asset		-	-	14.89	14.89

Financial Assets measured at Fair Value-recurring fair value measurements

As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Investments in Mutual funds-Growth plan	5(a)	-	1,663.40	-	1,663.40
Total financial asset		-	1,663.40	-	1,663.40

Assets measured at amortised cost for which fare value is disclosed

As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
-Security Deposit	5(e)		-	2.00	2.00
-Loans to Employees	5(c)		-	0.32	0.32
Total financial asset		-	-	2.32	2.32

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. There are no items falling under Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Company has investments in mutual funds for which all significant inputs required to fair value an instrument are observable and hence, the same falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Note:
There are no financial liabilities which are measured at fair value - recurring fair value measurements or at amortised cost for which fair values are required to be disclosed.

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(ii) Valuation technique used to determine fair value
Specific valuation techniques used to value financial instruments include:
- the use of Net Assets Value ('NAV') for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

(iii) Fair Value of Financial Asset and Liabilities measured at amortised cost

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
-Security Deposit [Refer note (ii)]	14.81	14.81	2.00	2.00
-Loans to Employees [Refer note (ii)]	0.08	0.08	0.32	0.32
Total financial assets	14.89	14.89	2.32	2.32

Note:
i. The carrying amounts of trade receivables, trade payables, creditors for capital expenditure, cash and cash equivalents and unapplied advance with Asset Management Company for purchase of mutual funds are considered to be the same as their fair values, due to their short-term nature.

ii. The carrying amounts and fair value of security deposit and loans to employees are materially the same.

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Note 26: Financial Risk Management

The Company's principal financial liability represents trade payables. The main purpose of this financial liability is to pay for Company's operations. The Company's principal financial assets consists of trade receivables and cash and cash equivalents that are derived directly from its operations. The Company also holds FVTPL investments.

The Company's activities exposes it to credit risk, liquidity risk and market risk. The Company's unit head oversees the management of these risks which are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. It is managed by unit head and sales head.

Credit risk from operating activities is derived from 2 major aspects:

I. Credit risk due to failure on part of customer to meet its contractual obligation

Risk:

There is a risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Measures to mitigate risk:

Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. Majority of the sales are on advance term.

Also, trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises the receivable for write off when a debtor fails to make contractual payments greater than 6 months; the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

However, the past trends of the Company suggests that there are negligible/ very low cases of doubtful debts.

Accordingly, the risk exposure of Company in relation to credit risk is low.

II. Credit risk due to customer concentration/ dependency

Risk:

The Company generates approximately 63% of revenue from 4-5 customers. Hence, the Company faces the risk of customer concentration or dependency on few customers.

Measures to mitigate risk

The Company manufactures high-strength aluminium alloys for applications in the aerospace, sporting goods and surface transport industries. This is a first-of-its-kind facility in India, which is exclusively devoted to high- performance aluminium alloys. The Company is committed to adhere to all stringent requirements of the aerospace industry. It is an AS 9100, ISO 140001 and OHSAS 18001 compliant Company. It is one of the few companies in India holding all three prestigious certifications.

Provided that there are few customers based on the nature of industry under which it operates and the Company's commitment to provide high quality product which is evident from the past trend of no sales return till date coupled with "MAKE IN INDIA" Initiative of Government of india, the Company evaluates risk on account of customer concentration to be low.

(B) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and liquid funds and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The business is funded through liquid funds parked in investments and if required through working capital lines with banks. Moreover, as explained in para (A)(I) of credit risk above, most of the sales are on advance payment terms.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Since, most of the customers are on advance payment terms and vendors are on credit terms, the Company evaluates the associated liquidity risk to be very low.

Maturity of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The Company does not have any derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

For the Period ended March 31, 2019

Contractual maturities of financial liabilities	Less than 3 months	Above 3 months	Total
Trade and other payables	580.88	-	580.88
Other financial liabilities	27.61	-	27.61
Total non-derivative liabilities	608.49	-	608.49

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For the year ended March 31, 2018

Contractual maturities of financial liabilities	Less than 3 months	Above 3 months	Total
Trade and other payables	479.66	-	479.66
Other financial liabilities	33.20	-	33.20
Total non-derivative liabilities	**512.86**	-	**512.86**

(c) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest risk, currency risk, investment price risk and other risks i.e. commodity risk.

(i) Interest risk
The Company does not have any borrowings. Hence, there is no interest risk in the Company.

(ii) Foreign currency risk
Foreign currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as foreign exchange forward contracts and commodity forward contracts to minimise risk. Derivatives are not used as trading or speculative instruments.

The Company purchases materials against a fixed sales order only. Hence, the exposure on account of foreign currency risk is low.

(iii) Investment Price risk
Investments of surplus funds are made only with approved high rated investments under mutual fund. Investments are reviewed by the Company on a regular basis. Hence, the Company's exposure to investment's price risk is low.

(iv) Other risks

Commodity risk
The Company's operating activities requires primarily purchase and manufacture of aluminium billets and therefore require a continuous supply of aluminium being a major component in raw material. Hence, the Company is exposed to the risk for supply of aluminium.

The Company purchases majority of the aluminium from it's holding Company at an arm's length price and hence, price is not considered to be the risk. Even other suppliers are readily available in market in case of no supply available from the holding company. Hence, the risk of availability of commodity is very low.

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Note 27: Capital management

(a) Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce cost of

The Company's capital structure consists of only equity share capital and has no debts which suggests that there is no risk for management of capital.

(b) Loan covenants

The Company has no debts as at and for the reporting year and prior year. Hence, there are no loan covenants.

(c) Dividends

The Company has not declared dividends in the current reporting year as well as prior year.

Note 28: Segment Information

(i) Description of segments and principle activities

The Company's chief operating decision maker consists of the Manager (i.e. Unit Head) who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is manufacturing, processing and dealing in aluminium billets.

(ii) The chief operating decision maker primarily uses a measure of profit before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.

(iii) Revenue from major external customers is as follows:

For the year ended	Number of customers	Amount	% to revenue from operations
March 31, 2019	5	6,085.40	81%
March 31, 2018	5	5,274.04	83%

(iv) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Revenue from external customers	For year ended March 31, 2019	For Year ended March 31, 2018
India	7,460.41	6,293.87
Other countries	68.86	41.59
Total	7,529.27	6,335.46

(v) The total of the non-current assets (other than financial instruments) are located only in India as at March 31, 2019, March 31, 2018 .

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Note 29: Related Party Transactions

(a) Parent entity

Name	Type	Place of Incorporation	Ownership interest	
			March 31, 2019	March 31, 2018
Hindalco Industries Limited	Parent Company	India	97.18%	97.18%

(b) Key managerial personnel compensation

Nature of payment	For year ended March 31, 2019	For year ended March 31, 2018
- Abhey Agarwal	82.45	76.87

(c) Transactions with Related Parties

	For year ended March 31, 2019	For year ended March 31, 2018
Transactions with Hindalco Industries Limited ('HIL')		
- Reimbursement of expenses to HIL	3.29	5.04
- Interest expenses	10.39	18.65
- Purchase of raw material	3,449.24	3,003.01
- Sale of finished goods	133.69	218.52
- Reimbursement of expenses by HIL	-	-
Transactions with Idea Cellular Limited (associate of parent entity)		
- Communication expenses	-	1.56
Transactions with Mr. Madhukar Manilal Bhagat, Director		
- Sitting fees	1.30	1.40
Transactions with Mr. Yazdi Dandiwala, Director		
- Sitting fees	0.90	1.40

(d) Outstanding balances arising from sales/ purchases of goods or services

	As at March 31, 2019	As at March 31, 2018
Trade payables [Refer note 13(a)]		
- Hindalco Industries Limited	1.00	237.62
- Director's sitting fees payable	0.54	0.60
Accrued payroll [Refer note 13(a)]		
- Payable to Key Managerial Personnel	2.68	2.89
Total payables to related parties	4.22	241.11

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.
All outstanding balances are unsecured and are payable in cash.

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Note 30: Contingent Liability and Contingent Asset

	As at March 31, 2019	As at March 31, 2018
(a) Contingent Liabilities		
(i) Claims against the Company not acknowledged as debt:		
- Labour Law Matters	3.39	3.39
(ii) Application for withdrawal of SEZ status : Based on the approval of Board of Directors, the company, vide its letter dated February 21,2019 has applied to the Jt. Development Commissioner,SEZ Pune cluster for withdrawal of its SEZ status.Liabilities if any, with respect to such withdrawal of the SEZ status is not presently assertainable, and can be assertained only based on the parameters existing at the time of its actual withdrawal. Liability, if any, in respect of the same will be provided for on receipt of approval for denotification.		
(b) Contingent Assets		
- Income Tax MAT Refund claims	67.62	21.08

Note 31: Earning/(Loss) Per Equity Share

	For year ended March 31, 2019	For year ended March 31, 2018
Profit/ (loss) for the year	429.96	268.98
Weighted Average number of equity shares (in Lakhs) outstanding during the year	1,771.16	1,771.16
Basic and diluted earning/ (loss) per share (in Rs.)	0.24	0.15
Nominal value of an equity share (in Rs.)	5.00	5.00

Note: There is no movement in equity share capital and neither there is change in the nominal value per share during the year ended March 31, 2019 and March 31, 2018.

Note 32: Operating lease transactions

The Company has entered in to leasing arrangements under operating lease:

(a) For material handling lease expenses that are renewable on a periodic basis and cancellable in nature. Rent for operating leases included in the statement of profit and loss for the year is Rs. 41.29 Lakhs (March 31, 2018: Rs. 40.12 Lakhs).

(b) Land for original lease period of 95 years. Amortisation of leasehold land included in the statement of profit and loss for the year is Rs. 0.84 Lakh (March 31, 2018: Rs. 0.84 Lakh).

Note 33: Micro, Small and Medium Enterprises Development Act, 2006

Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company:

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Principal amount and the interest due on the above at the end of the accounting year		
	- Principal	2.38	1.66
	- Interest due there on	-	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
	Total	**2.38**	**1.66**

Note 34: Offsetting financial assets and financial liabilities

There are no financial assets or financial liabilities which are subject to offsetting as at March 31, 2019, March 31, 2018 since, the entity neither has enforceable right or an intent to settle on net basis or to realise the asset and settle the liability simaltaneoulsy. Further, the Company has no enforceable master netting arrangements and other similar arrangements as at March 31, 2019, March 31, 2018 .

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Note 35: Assets and liabilities relating to employee benefits

(i) Leave obligations
The leave obligations cover the Company's liability for earned leave and sick leave.

(ii) Post-employment obligations - Gratuity
The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

This defined benefit plans expose the Company to actuarial risks, such as interest rate risk and market (investment) risk.

(iii) Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2017	110.59	(51.67)	58.91
Current Service Cost	9.67	-	9.67
Past service cost - Plan amendments	6.16		6.16
Interest expense/(income)	7.74	(3.62)	4.12
Total amount recognised in profit or loss	23.57	(3.62)	19.95
Re-measurements			
Experience loss	4.69	-	4.69
Loss from change in financial assumptions	6.89	-	6.89
Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-
Total amount recognised in other comprehensive income	11.58	-	11.58
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2018	145.74	(55.30)	90.44

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2018	145.74	(55.30)	90.44
Current Service Cost	10.71	-	10.71
Past service cost - Plan amendments	-	-	-
Interest expense/(income)	10.45	(4.05)	6.40
Total amount recognised in profit or loss	21.16	(4.05)	17.11
Re-measurements			
Experience loss	16.45	-	16.45
Loss / (Gain) from change in financial assumptions	-	-	-
Return on plan assets, excluding amounts included in interest expense/ (income)	-	(0.27)	(0.27)
Total amount recognised in other comprehensive income	16.45	(0.27)	16.18
Employer contributions	-	(10.24)	(10.24)
Benefit payments	(12.73)	12.73	-
March 31, 2019	170.62	(57.13)	113.49

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Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

(iv) The net liability disclosed above relating to funded and unfunded plans are as follows:

	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	170.62	145.73
Fair value of plan assets	(57.13)	(55.29)
Deficit of funded plan	**113.49**	**90.44**
Unfunded plans	-	-
Deficit of gratuity plan	113.49	90.44

(v) Significant Actuarial assumptions are as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.50%	7.50%
Salary growth rate	8.00%	8.00%

(vi) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption		Increase			Decrease		
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Discount rate	1.00%	1.00%	Decrease by	18.44	13.45	Increase by	21.90	15.70
Salary growth rate	1.00%	1.00%	Increase by	21.41	15.35	Decrease by	18.43	13.43

(vii) 100% of the plan assets are invested in Insurer Managed Fund which is in India.

(viii) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is Asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the company in insurer manager fund wholly with the Life Insurance Corporation of India ("LIC"). The Company intends to maintain this investment in the continuing years.

(ix) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for the year ending March 31, 2020 is Rs.Nil (March 31, 2019: Rs.1.18 lakhs).

The weighted average duration of the defined benefit obligation is 12 years (2018 - 10 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2019	5.29	5.76	20.43	129.20	160.68
March 31, 2018	5.76	6.31	22.57	126.02	160.66

SINGHI & CO. ★ Chartered Accountants ★

Hindalco-Almex Aerospace Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

Note 36: New standards/ amendments to existing standards issued but not yet adopted

The new Accounting Standards / amendments to existing Accounting Standards issued but not yet effective upto the date of issuance of the Company's Financial Statements, to the extent applicable to the company, are disclosed below:

1) Ind AS 116- Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 "Leases" . Ind AS 116 will replace the existing leases Standard, Ind AS 17 "Leases". The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for the lessor as well as the lessee. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of Ind AS 116 is financial year beginning on or after April 1, 2019.

The standard permits two alternative methods of transition:

a) Full retrospective method – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
b) Modified retrospective method – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial adoption. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial adoption or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial adoption.

Certain practical expedients are available under both the methods.

The Company is currently evaluating the effect of the above amendment to Ind AS 19 on the financial statements.

2)Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', with regard to accounting for dividend distribution taxes. The amendment stipulates that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is financial year beginning on or after April 1, 2019. The Company does not envisage any impact on account of this amendment.

3) Amendment to Ind AS 19 – " Employee Benefits "

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is financial year beginning on or after April 1, 2019. The Company is currently evaluating the effect of the above amendment to Ind AS 19 on the financial statements.

For **SINGHI & CO.**
Firm Registration No: 302049E
Chartered Accountants

Sudesh Choraria
Partner
Membership No. 204936

Place: Mumbai
Dated: April 25,2019

SINGHI & CO. ★ Chartered Accountants ★

For and on behalf of the Board of Directors

Director
DIN No.
PKM
Place: Mumbai
Dated: April 25,2019

Director
DIN:
BPK
Place:
Dated: April 25,2019

Shrikant Turalkar
Company Secretary

Place: Mumbai
Dated: April 25,2019

Suchit Naidu
Chief Financial Officer

Place: Mumbai
Dated: April 25,2019

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LUCKNOW FINANCE COMPANY LIMITED

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying Standalone IND AS financial statements of LUCKNOW FINANCE COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 Standalone IND AS financial statements give the information required by the Companies Act 2013 ("The Act" or "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, 2019, its profit including Other Comprehensive Income , Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone IND AS financial statements 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 Standalone 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 Standalone Ind AS financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report and other report placed by the management before the members but does not include the Standalone IND AS financial statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone IND AS 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income , Statement of 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended].

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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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone IND AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone IND AS financial statements, including the disclosures, and whether the Standalone 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.

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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; issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ("the Order"), and the basis of examination of the books and records of the Company as we considered appropriate and according to the information and explanations given to use, 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. 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 purpose of our audit;

    (b) In our opinion the Company has kept proper books of account as require so far as appears from our examination of those books;

    (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the IND AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 Standalone IND AS financial statements and the operating effectiveness of such control as at March 31, 2019, refer to our separate report in **Annexure "B"** attaches with this Report and

    (g) 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 does not have any pending litigations as at March 31, 2019 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 was no amount, which was required to be transferred to the investor Education and Protection Fund by the Company.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

MANOJ VIPIN & CO.
Chartered Accountants
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Annexure "A" referred in paragraph 1 of the Independent Auditors Report of even date to the Members of LUCKNOW FINANCE COMPANY LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

On the basis of such checks as we considered appropriate and according to the information and explanations given to us by the management of the Company, during course of our audit, we report that:

1. (a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b). The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

   (c). The title deeds of the immovable properties as disclosed in Investment Property to the Standalone IND AS financial statements are held in the name of the Company.
2. There were no stock of goods during the year with the Company; hence, comments on its physical verification and Material discrepancies are not required and accordingly the provisions 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 the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and accordingly, provisions of clause 3 (iii), (iii) (a), (iii) (b) &(iii) (c) of the order, are not applicable to the Company.
4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee or security where provisions of section 185 and 186 of the Companies Act, 2013 are applicable, hence, provision of clause 3(iv) of the order, is not applicable to the Company.
5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed thereunder apply.
6. According to the information, explanations given to us and the books & records examined by us, the Company is not carrying out any manufacturing activity during the year therefore maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company.
7. (a). According to the information and explanations given to us, the provisions of Provident Fund, Employees' State Insurance, Sales Tax, Customs Duty, Excise Duty and VAT are not applicable to the Company. The Company is regular in depositing Income tax, Service tax, GST and any other applicable statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at March 31, 2019 for a period exceeding six months from the date they became payable.

   (b). According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Income Tax, Wealth Tax, Service Tax, GST etc. as at March 31, 2019.
8. The Company has not availed any loan from financial institution or Banks, government or debenture holders during the current year as well as in the previous year and accordingly the provision of clause 3 (viii) of the order is not applicable to the Company.
9. In our opinion, and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.
10. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year.

CHARTERED ACCOUNTANTS

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11. In our opinion, and according to the information and explanations given to us, the Company has not paid any amount to its Directors as a Managerial Remuneration as prescribed by the provision of section 197 read with schedule V of the Companies Act, 2013 and accordingly the provision of clause 3 (xi) of the order is not applicable to the Company.

12. In our opinion, the Company is not a Nidhi company and accordingly the provision of clause 3 (xii) of the order is not applicable to the Company.

13. In our opinion, and according to the information and explanations given to us, the Company has not carried out any transactions with the related parties as defined in section 177and 188 of the Companies Act, 2013. However, the details of related party transactions have been disclosed in the Standalone IND AS financial statements as required under Applicable Indian Accounting Standards (IND AS) specified under section 133 of the Act.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with the directors, accordingly the provisions of clause 3 (xv) of the order is not applicable to the Company.

16. Initially, the Company was registered as Non-Banking Financial Company (NBFC) under Section 45-IA of the Reserve Bank of India Act, 1934. Later, the Company has voluntary exited from the business of NBFC and accordingly the RBI has cancelled its registration in year 2009. Accordingly, the provisions of clause (xvi) of paragraph 3 of the Order not applicable.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

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Annexure "B" referred in paragraph 2 (f) of the Independent Auditors Report of even date to the Members of LUCKNOW FINANCE COMPANY LIMITED on the Standalone IND AS financial Statements as of and for the year ended March 31, 2019 under the heading "Report to Legal and Regulatory Requirements"

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

We have audited the internal financial controls over financial reporting of **LUCKNOW FINANCE COMPANY LIMITED** ("the Company) as of March 31, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

Auditor's 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 judgment, 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;

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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 authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANOJ VIPIN & CO.
Chartered Accountants
Firm Registration No. 124804W

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

Dharmesh

(DHARMESH SOLANKI)
Partner
Membership No. 120483

Place: Mumbai
Date : April 22, 2019

LUCKNOW FINANCE COMPANY LIMITED

Balance Sheet as at March 31, 2019

(Amount in ₹)

	Note	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets			
Investment Property	'5'	91,416,104	93,481,292
Financial Assets:			
Non-Current Investments	'6'	92,860	107,310
		91,508,964	93,588,602
Current Assets			
Financial Assets:			
Current Investments	'7'	78,520,279	103,996,820
Cash and Cash Equivalents	'8'	142,849	2,072,639
Other Financial Assets	'9'	130,414	32,245
Current Tax Assets (Net)	'10'	1,451,479	1,480,098
Other Current Assets	'11'	-	-
		80,245,021	107,581,802
		171,753,985	201,170,404
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	'12'	99,025,000	99,025,000
Other Equity	'13'	63,151,515	92,763,708
		162,176,515	191,788,708
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	'14'	1,236,144	1,014,641
		1,236,144	1,014,641
Current Liabilities			
Financial Liabilities:			
Trade Payables	'15'	169,795	190,436
Other Financial Liabilities	'16'	7,845,450	7,845,450
Other Current Liabilities	'17'	326,081	331,169
		8,341,326	8,367,055
		9,577,470	9,381,696
		171,753,985	201,170,404
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of
Lucknow Finance Company Limited

Anil Mathew
DIN: 00584386

D C Kabra
DIN: 00579509

LUCKNOW FINANCE COMPANY LIMITED

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in ₹)

	Note	Year ended 31/03/2019	Year ended 31/03/2018
REVENUES			
Other Income	'18'	27,731,551	28,314,243
Total Income		27,731,551	28,314,243
EXPENSES			
Finance Costs	'19'	-	-
Depreciation and Amortization	'20'	2,065,188	2,065,188
Other Expenses	'21'	2,362,653	8,321,002
Total Expenses		4,427,841	10,386,190
Profit before Tax		23,303,710	17,928,053
Income Tax Expenses:	'22'		
Current Tax		4,928,000	3,725,000
Deferred Tax		223,111	(1,718,421)
Profit for the period		18,152,599	15,921,474
Other Comprehensive Income:	'23'		
Items that will not be reclassified to Profit and Loss		(14,450)	655
Tax on items that will not be reclassified to Profit and Loss		1,608	3,742
Items that will be reclassified to Profit and Loss		-	-
Tax on items that will be reclassified to Profit and Loss		-	-
Other Comprehensive Income (Net of Tax)		(12,842)	4,397
Total Comprehensive Income for the period		18,139,757	15,925,871
Earnings per Share (EPS):	'24'		
Basic EPS		1.83	1.61
Diluted EPS		1.83	1.61
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Lucknow Finance Company Limited

Anil Mathew
DIN: 00584386

D C Kabra
DIN: 00579509

LUCKNOW FINANCE COMPANY LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

	Note	Amount in ₹
Balance as at April 01, 2017		99,025,000
Change in Share Capital during the period		-
Balance as at March 31, 2018	'12'	99,025,000
Change in Share Capital during the period		-
Balance as at March 31, 2019	'12'	99,025,000

B. Other Equity

(Amount in ₹)

	Note	Reserve and Surplus			Other Reserve	
		Capital Redemption Reserve	Special Reserve	Retained Earnings	Equity Instruments FVTOCI	Total Other Equity
Balance as at April 01, 2017		21,000,000	15,162,059	40,583,228	92,550	76,837,837
Profit for the period		-		15,921,474	-	15,921,474
Other Comprehensive Income for the period	'24'	-	-	-	4,397	4,397
Total Comprehensive Income for the period		-	-	15,921,474	4,397	15,925,871
Dividend Paid (including Dividend Distribution Tax)		-	-	-	-	-
Balance as at March 31, 2018	'13'	21,000,000	15,162,059	56,504,702	96,947	92,763,708
Profit for the period		-	-	18,152,599	-	18,152,599
Other Comprehensive Income for the period	'24'	-	-	-	(12,842)	(12,842)
Total Comprehensive Income for the period		-	-	18,152,599	(12,842)	18,139,757
Dividend Paid (including Dividend Distribution Tax)		-	-	(47,751,950)	-	(47,751,950)
Balance as at March 31, 2019	'13'	21,000,000	15,162,059	26,905,351	84,105	63,151,515

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of
Lucknow Finance Company Limited

Anil Mathew
DIN: 00584386

D C Kabra
DIN: 00579509

LUCKNOW FINANCE COMPANY LIMITED

Cash Flow Statement for the year ended March 31, 2019

	Note	Year ended 31/03/2019	(Amount in ₹) Year ended 31/03/2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax:		23,303,710	17,928,053
Adjustment for :			
Finance Costs	'19'	-	-
Depreciation and Amortization	'20'	2,065,188	2,065,188
Bad debt, loans, advances and receivables written off/ (written back) (Net)	'21'	-	6,094,330
Interest Income	'18'	(3,750)	-
Dividend Income	'18'	(27,526)	(325,377)
(Gains)/ losses on financial Assets measured at FVTPL (Net)	'18'	(5,126,048)	(5,588,914)
Other Non-operating Income/ Expenses (Net)		-	-
Operating profit before working capital changes		20,211,574	20,173,280
Changes in working Capital:			
(Increase)/ Decrease in Trade and Other Receivables (Net)		(98,171)	753,644
Increase/ (Decrease) in Trade and Other Payables (Net)		(25,728)	24,849
Cash generation from Operation before Tax		20,087,675	20,951,773
(Payment)/ Refund of Income Tax (Net)		(4,899,381)	(4,309,798)
Net Cash Generated/ (Used) - Operating Activities		15,188,294	16,641,975
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments in Mutual Funds		(97,727,526)	(14,935,376)
Proceeds from Redemption of Investments in Mutual Funds		128,330,116	-
Interest Received		3,750	-
Dividend Received		27,526	325,377
Net Cash Generated/ (Used) - Investing Activities		30,633,866	(14,609,999)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost Paid		-	-
Dividend Paid (including Dividend Distribution Tax)		(47,751,950)	-
Net Cash Generated/ (Used) - Financing Activities		(47,751,950)	-
Net Increase/ (Decrease) in Cash and Cash Equivalents		(1,929,790)	2,031,976
Add : Opening Cash and Cash Equivalents		2,072,639	40,663
Closing Cash and Cash Equivalents		142,849	2,072,639

Reconciliation of Closing Cash and Cash Equivalents as per Statement of Cash Flow:

		As at 31/03/2019	(Amount in ₹) 31/03/2017
Closing Cash and Cash Equivalents	'8'	142,849	2,072,639
Adjustment in Closing Cash and Cash Equivalents		-	-
Balance as per Statement of Cash Flow		142,849	2,072,639

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

MANOJ VIPIN & CO. ★ CHARTERED ACCOUNTANTS ★

For and on behalf of the Board of
Lucknow Finance Company Limited

Anil Mathew
DIN: 00584386

D C Kabra
DIN: 00579509

LUCKNOW FINANCE COMPANY LIMITED

Notes forming part of the Financial Statements

1. **Company Overview:**

Lucknow Finance Company Limited ("the Company") was incorporated on May 31, 1989 having its registered office at Hindalco Industries Limited, Renukoot, Sonebhadra, Uttar Pradesh, 231217. The Company has a commercial building at Mumbai, which has been leased out for earning rental income.

The Company is a wholly owned subsidiary of Hindalco Industries Limited, a public limited company whose equity shares are listed on the Indian Stock Exchanges (National Stock Exchange and Bombay Stock Exchange) and GDRs are listed on the Luxemburg Stock Exchange.

2. **Basis of Preparation and Significant Accounting Policies:**

I. **Basis of Preparation:**

The financial statements of Lucknow Finance Company Limited ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India. The financial statements for the year ended March 31, 2019 have been approved by the Board of Directors of the Company in their meeting held on April 22, 2019.

The financial statements have been prepared under the historical cost convention on accrual basis except for financial instruments, which have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

In preparing the financial statements in conformity with Ind-AS requires management to make estimates and assumptions that affect reported Amount of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the Amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period in which the same is determined.

The financial statements are presented in Indian Rupees (INR/₹) which is the Functional Currency of the Company.

II. **Significant Accounting Policies:**

A. **Investment Property**

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property is at the carrying amount of the property.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives. Depreciation on Investment Property has been provided using Straight Line Method at the rates and manner prescribed under Schedule II of the Companies Act, 2013.

Impairment

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value-in-use and net selling price. Value-in-use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

B. **Financial Instruments**

All financial assets are recognized on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value.

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Equity Instruments

The Company's investment in equity instruments is strategic in nature and has been held for a substantial period of time. The company does not acquire equity instruments for the purpose of selling in the near term for short term profit taking. The company has therefore made an irrevocable election to measure equity instruments at Fair Value through Other Comprehensive Income (FVTOCI).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is directly reclassified to retained earnings. For equity instruments measured at fair value through other comprehensive income no impairments are recognized in the statement of profit and loss.

Dividends on these investments in equity instruments are recognized in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Debt Instruments

The Company's primary objective of the investment in the mutual fund is to maximize yield while maintaining liquidity to meet business fluctuations/opportunities. The company has therefore decided to measure debt instruments at Fair Value through Profit and Loss (FVTPL).

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs. These are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in the statement of profit and loss as 'Gains/ loss on financial instruments measured at FVTPL'. Periodical income or interest and gain and loss on sale/ transfer on derecognition of debt instruments at FVTPL is included in the statement of profit and loss as net gain or loss.

C. **Fair Value Measurement**

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models. If fair value cannot be measured reliably unlisted shares are recognized at cost.

D. **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

E. **Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of Amount expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognized on differences between the carrying Amount of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. the Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Current and deferred tax for the period

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

F. **Revenue Recognition**

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Interest, Dividend and other income on investments is accounted for when the right to receive the payment is established. The Amount where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

Revenue excludes taxes that are collected on behalf of Government Authorities.

G. **Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. In case of litigation, the Company may entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

3. **Measurement of fair value**

A **Financial Instruments**

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

B **Marketable and non-marketable equity securities**

Fair value for listed-shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow based models.

4. **Critical accounting judgment and key sources of estimation uncertainty:**

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

(a) **Taxes**

The Company calculates income tax expense based on income reported. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures all of which may be uncertain. Economic conditions may change and lead to a different conclusion regarding recoverability. Tax authorities may challenge the Company's computation of tax payable from prior periods. Such process may lead to changes to prior periods taxable income, resulting in change to income tax expenses in the period of change.

(b) **Recoverability of advances/ receivables**

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factor.

LUCKNOW COMPANY LIMITED

CHARTERED ACCOUNTANTS CO.

(c) **Fair value measurements**

the Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(d) **Contingent assets and liabilities, uncertain assets and liabilities**

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether the Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of Amount, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

5. Investment Property:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Cost	134,871,479	134,871,479
Less: Accumulated Depreciation and Impairment	(43,455,375)	(41,390,187)
Net carrying amount	91,416,104	93,481,292

	Buildings	Total
Cost		
As at April 01, 2017	134,871,479	134,871,479
Disposal/ Adjustments	-	-
As at March 31, 2018	134,871,479	134,871,479
Disposal/ Adjustments	-	-
As at March 31, 2019	134,871,479	134,871,479
Accumulated Depreciation and Impairment		
As at April 01, 2017	39,324,999	39,324,999
Depreciation for the period	2,065,188	2,065,188
As at March 31, 2018	41,390,187	41,390,187
Depreciation for the period	2,065,188	2,065,188
As at March 31, 2019	43,455,375	43,455,375
Net carrying amount		
As at March 31, 2018	93,481,292	93,481,292
As at March 31, 2019	91,416,104	91,416,104
Usefule life of investment properties	60 years	60 years

(a). Amount recognized in profit and loss for investment properties are as under:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Rental Income	22,574,227	22,399,952
Less: Direct operating expenses, including repair and maintenance, generating rental income	(2,257,027)	(2,161,733)
Profit or loss from investment properties before depreciation	20,317,200	20,238,219
Less: Depreciation	(2,065,188)	(2,065,188)
Profit or loss from investment properties	18,252,012	18,173,031

(b). All of the Investment Properties of the Company are held under freehold interest.

(c). the Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(d). The fair value of the Company's investment properties have been carried out by external valuer. Information of fair value of investment properties and level of air value hierarchy are given below:

i. Fair value of investment properties given below:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Buildings	298,476,000	298,465,902

ii. Fair value hierarchy of investment properties given below:

(Amount in ₹)

	As at 31/03/2019		As at 31/03/2018	
	Level 1	Level 2	Level 1	Level 2
Buildings	-	298,476,000	-	298,465,902

6. Non-Current Investments:

(Amount in ₹)

	Face value per Unit	Numbers - As at 31/03/2019	Numbers - As at 31/03/2018	Value - As at 31/03/2019	Value - As at 31/03/2018
Quoted Investments					
Investment in Equity Instruments (Fully paid-up)					
Gujarat Narmada Valley Fertilizers & Chemicals Limited	₹ 10	100	100	30,595	36,395
Gujarat State Fertilizers & Chemicals Limited	₹ 2	500	500	52,125	57,050
Southern Petrochemical Industries Limited	₹ 10	100	100	2,540	3,350
Madras Fertiliser Limited	₹ 10	100	100	2,055	3,195
Rashtriya Chemicals and Fertilizers Limited	₹ 10	100	100	5,545	7,320
				92,860	107,310

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

Aggregate cost of quoted investments	14,105	14,105
Aggregate market value of quoted investments	92,860	107,310
Aggregate cost of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

7. **Current Investments:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Quoted Investments		
Investment in Mutual Funds:		
Aditya Birla Sun Life Mutual Funds	60,490,181	86,939,801
Baroda Pioneer Mutual Funds	12,083,665	11,323,404
IDFC Mutual Funds	5,946,433	5,733,615
	78,520,279	103,996,820

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

Aggregate cost of quoted investments	72,174,284	89,844,930
Aggregate market value of quoted investments	78,520,279	103,996,820
Aggregate cost of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

8. **Cash and Cash Equivalents:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Balance with Banks - Current Accounts	142,450	2,072,040
Cash on hand	399	599
	142,849	2,072,639

(a). There are no repatriation restrictions with regard to cash and cash equivalents.

9. **Other Financial Assets:**
(Unsecured, considered good unless otherwise stated)

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Receivables against Rent	130,414	32,245
Dividend accrued	-	-
Other Receivable	-	-
	130,414	32,245

10. **Current Tax Assets (Net):**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Advance Tax Assets (Net)	1,451,479	1,480,098
	1,451,479	1,480,098

11. **Other Current Assets:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Prepaid expenses	-	-
Advance for Purchase of Mutual Funds	-	-
	-	-

12. **Equity Share Capital:**

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Authorized:		
12,500,000 (31/03/2018: 12,500,000) Equity Shares of ₹ 10/- each	125,000,000	125,000,000
	125,000,000	125,000,000
Issued, Subscribed and Paid-up:		
9,902,500 (31/03/2018: 9,902,500) Equity Shares of ₹ 10/- each - (a)	99,025,000	99,025,000
	99,025,000	99,025,000

(a). Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

	Year ended 31/03/2019		Year ended 31/03/2018	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Equity Shares outstanding at the beginning of the period	9,902,500	99,025,000	9,902,500	99,025,000
Equity Shares outstanding at the end of the period	9,902,500	99,025,000	9,902,500	99,025,000

(b). Rights, Peferences and Restrictions attached to Equity Shares:
The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential Amount, in proportion to their shareholding.

(c). Details of shareholders holding more than 5% Equity Shares in the Company on reporting date:

	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Hindalco Industries Limited and its nominees	9,902,500	100.00%	9,902,500	100.00%

(d). The Company during the preceding 5 years:
i. Has not allotted shares pursuant to contracts without payment received in cash.
ii. Has not issued shares by way of bonus shares.
iii. During the year ended March 31, 2015, the Company has bought back 2,100,000 Equity Shares of ₹ 10/- each.

13. Other Equity:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Reserve and Surplus		
Capital Redemption Reserve	21,000,000	21,000,000
Special Reserve	15,162,059	15,162,059
Retained Earnings	26,905,351	56,504,702
	63,067,410	92,666,761
Other Reserves		
Equity Instruments Fair Value through OCI	84,105	96,947
	84,105	96,947
	63,151,515	92,763,708

(a). Brief description of items of other equity are given below:

i. **Capital Redemption Reserve**

This is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares. The provisions relating to the capital redemption reserve are set out in section 69 of the Companies Act 2013.

ii. **Special Reserve**

The Company was earlier registered as Non-Banking Financial Company ("NBFC") under Section 45-IC of the Reserve Bank of India Act, 1934. Every NBFC is required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company has exited from the business as NBFC. Accordingly the RBI has cancelled its registration as NBFC in year 2009 and the Company discontinued to create this reserve since that period.

iii. **Retained Earnings**

Amount of retained earnings represents accumulated profit and losses of the company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI.

iv. **Equity Instruments Fair Value through OCI**

The Company has elected to recognise changes in the fair value of investments in equity securities through other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognised.

(b). Movement of each item of other equity is presented in the Statement of Changes in Equity.

14. Deferred Tax Liabilities (Net):

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Deferred Tax Liabilities	1,236,144	1,014,641
Less: Deferred Tax Assets	-	-
	1,236,144	1,014,641

(a). Major components of Deferred Tax Liabilities (Net) arising on account of temporary timing differences and movement therein are given below:

(Amount in ₹)

	FV of Financial Instruments	
	Year ended 31/03/2019	Year ended 31/03/2018
Deferred Tax Liabilities		
As at beginning	1,014,641	2,736,804
Recognised in Statement of Profit and Loss	223,111	(1,718,421)
Recognised in OCI	(1,608)	(3,742)
As at the end	1,236,144	1,014,641
Less: Deferred Tax Assets		
As at beginning		
Recognised in Statement of Profit and Loss		
Recognised in OCI		
As at the end	-	-
Deferred Tax Liabilities (Net)	1,236,144	1,014,641

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

LUCKNOW FINANCE COMPANY LIMITED

CHARTERED ACCOUNTANTS

(b). **Unrecognised Deferred Taxes**

The Company has not recognised deferred tax assets and tax credits for certain items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. The details of such items and its period of expiry are given below:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
i. Unrecognised Deferred Tax Assets:		
Long-term Capital losses	2,369,752	2,462,099
Period of expiry	FY 2020 - 2025	FY 2020 - 2025
ii. Unused Tax Credits:		
MAT Credit	378,899	149,742
Period of expiry	FY 2027 - 2029	FY 2027 - 2028

15. Trade Payables:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Trade Payables	169,795	190,436
	169,795	190,436

16. Other Financial Liabilities:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Security and other Deposits - (a)	7,845,450	7,845,450
Interim Dividend payable (incl. DDT)	-	-
	7,845,450	7,845,450

(a). includes ₹ 1,845,450 (31/03/2018: ₹ 1,845,450) from Hindalco Industries Limited, parent of the Company.

17. Other Current Liabilities:

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
Advance received from Customer	-	-
Statutory dues Payables	326,081	331,169
	326,081	331,169

18. Other Income:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Income		
On Non-current Investments	-	-
On Others	3,750	-
Dividend Income		
On Non-current Investments	-	-
On Current Investments	27,526	325,377
Gains/(losses) on Financial Assets measured at fair value through Profit and Loss (Net)		
On sale of Financial Assets FVTPL	12,931,944	-
On change in fair value of of Financial Assets FVTPL	(7,805,896)	5,588,914
Rent Income from Investment Properties	22,574,227	22,399,952
Other Miscellaneous Income	-	-
	27,731,551	28,314,243

19. Finance Costs:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Expenses	-	-
	-	-

20. Depreciation and Amortisation Expenses:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Depreciation of Investment Properties	2,065,188	2,065,188
	2,065,188	2,065,188

21. Other Expenses:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Repairs to Buildings	1,515,847	1,420,553
Rates and Taxes	746,028	746,647
Payments to Auditors:		
Statutory Audit Fees	52,500	30,000
Taxation Matters	10,000	15,000
Reimbursement of expenses	2,400	12,200
Bad debt, loans, advances and receivables written off/ (written back) (Net)	-	6,094,330
Miscellaneous Expenses	35,878	2,272
	2,362,653	8,321,002

22. Income Tax Expenses:

The Company's income tax expenses and effective tax rate reconciliation given below:

(a). Amount recognised in Statement of Profit and Loss

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
i. Current Tax		
Current tax on profits for the year	4,928,000	3,725,000
Adjustments for current tax of prior periods (Net)	-	-
Total current tax expenses	4,928,000	3,725,000
ii. Deferred Tax		
Deferred Tax for the year	223,111	(1,718,421)
Tax adjustments for earlier years (Net)	-	-
Total deferred tax expenses	223,111	(1,718,421)
Total Income Tax Expenses	5,151,111	2,006,579

(b). Reconciliation of Effective Tax Rate

(Amount in ₹)

	Year ended	
	31/03/2019	31/03/2018
Profit before Tax	23,303,710	17,928,053
Statutory Income Tax Rate applicable to the Company	27.8200%	27.5525%
Tax expenses using applicable income tax rate	6,483,092	4,939,627
Tax effect of adjustments to reconcile income tax expenses:		
Expenses allowed on notional basis for income from house property	(1,822,186)	(1,790,260)
Expenses not deductible in determining taxable profit	1,025,629	978,301
Income exempt from tax (Dividends)	(7,658)	(89,650)
Difference in tax rates	(527,766)	(2,031,439)
Adjustments pertaining to prior years	-	-
Income Tax Expenses recognised in the Statement of Profit and Loss	5,151,111	2,006,579

23. Other Comprehensive Income:

The disaggregation of changes to other comprehensive income (OCI) by each class is given below:

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
(a). Items that will not be reclassified to Profit and Loss		
Change in fair value of equity instruments FVTOCI	(14,450)	655
Income tax effect on above	1,608	3,742
	(12,842)	4,397
(b). Items that will be reclassified to Profit and Loss		
Change in fair value of debt instruments FVTOCI	-	-
Income tax effect on above	-	-
	-	-
Total Other Comprehensive Income	(12,842)	4,397

24. Earnings per Share (EPS):

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
Profit for the period (As per Statement of Profit and Loss)	18,152,599	15,921,474
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of equity shares for basic EPS	9,902,500	9,902,500
Dilutive potential equity shares	-	-
Weighted average number of equity shares for diluted EPS	9,902,500	9,902,500
Face value of per equity share	10.00	10.00
Earnings per Share:		
Basic EPS	1.83	1.61
Diluted EPS	1.83	1.61

25. Impairment Loss:

The Company has carried out impairment test of assets and find that there is no impairment loss during the year.

26. The provision of Corporate Social Responsibility under Section 135 of the Companies Act 2013 is not required to the Company as the Company does not fall in the applicability criteria set out in the Act.

LUCKNOW FINANCE COMPANY LIMITED

MANOJ VIPIN & CO. CHARTERED ACCOUNTANTS

27. Financial Instruments:

A. Fair Value Measurements

(a). The following table shows the carrying amount and fair values of financial assets and financial liabilities by category.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	-	92,860	-	-	107,310	-
Unquoted Preference Shares *	-	-	-	-	-	-
Investments in Debt Instruments						
Mutual Funds	-	-	78,520,279	-	-	103,996,820
Cash and Cash Equivalents						
Cash and Bank*	142,849	-	-	2,072,639	-	-
Other Financial Assets*	130,414	-	-	32,245	-	-
Total Financial Assets	273,263	92,860	78,520,279	2,104,884	107,310	103,996,820
Financial Liabilities						
Trade Payables*	169,795	-	-	190,436	-	-
Other Financial Liabilities*	7,845,450	-	-	7,845,450	-	-
Total Financial Liabilities	8,015,245	-	-	8,035,886	-	-

* Fair values for these financial instruments have not been disclosed because their carrying Amount are a reasonable approximation of their fair values.

(b). Financial income by financial instruments category wise given below:

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Amortised Cost	Fair value through OCI	Fair value through P&L	Amortised Cost	Fair value through OCI	Fair value through P&L
Interest Income	-	-	-	-	-	-
Dividend Income	-	-	27,526	-	-	325,377
	-	-	27,526	-	-	325,377

B. Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(Amount in ₹)

	As at 31/03/2019			As at 31/03/2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments in Equity Instruments						
Quoted Equity Instruments	92,860	-	-	107,310	-	-
Investments in Debt Instruments						
Mutual Funds	78,520,279	-	-	103,996,820	-	-
Total Financial Assets	78,613,139	-	-	104,104,130	-	-

Level 1 - This hierarchy includes financial instruments valued using quoted market prices. Listed equity intruments and traded debt instruments which are traded in the stock exchanges are valued using the closing at the reporting date. Mutual funds are valued using the closing NAV.

Level 2 - This hierarchy includes financial instruments that are not traded in active market. This includes debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2.

Level 3 - If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants. Valuations for certain derivatives for which forward prices are not observable, have valued using forward prices for a nearby geographical market and adjusted for historical spreads between cash prices of the two the markets.

28. Financial Risk Management:

The Company's activities exposes it to various risks such as Market risk, Credit risk and Liquidity risk. This section explains the risks which the Company is exposed to and how it manages the risks.

(a). Market Risk

The Company's exposure to equity securities price risk arises from movement in market price of related securities classified either as fair value through OCI or as fair value through statement of profit and loss. The Company manages the price risk through diversified portfolio as well as regular monitoring of share prices.

The table below summarizes the impact of increase/ decrease in the equity share prices on the Company's equity and profit for the period.

(Amount in ₹)

		31/03/2019		31/03/2018	
	Change in Rate/Price	Change in Statement of Profit and Loss	Change in Other Components of Equity	Change in Statement of Profit and Loss	Change in Other Components of Equity
Investment in Equity securities	10%	-	9,286	-	10,731

(b). Credit Risk

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

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

(c). Liquidity Risk

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments.

Maturity Analysis

The table below shows the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The Amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount in ₹)

	< 1 Year	1-2 Years	2- 5 Years	> 5 Years	Total
Contractual maturities of financial liabilities as at March 31, 2019					
Trade payables	169,795	-	-	-	169,795
Other financial liabilities	7,845,450	-	-	-	7,845,450
	8,015,245	-	-	-	8,015,245
Contractual maturities of financial liabilities as at March 31, 2018					
Trade payables	190,436	-	-	-	190,436
Other financial liabilities	7,845,450	-	-	-	7,845,450
	8,035,886	-	-	-	8,035,886

29. **Offsetting Financial Assets and Financial Liabilities:**

The following table presents the financial assets and financial liabilities subject to offsetting, enforceable master netting arrangement and similar arrangement.

(Amount in ₹)

	Effects on Balance sheet			Related Amount not offset		
	Gross Amount	Gross amount set off in the balance sheet	Net amount in the balance sheet	Amount subject to master netting	Financial Instrument collateral	Net Amount
As at March 31, 2019:						
Financial Assets						
Cash and cash equivalents	142,849	-	142,849	-	-	142,849
Other financial assets	130,414	-	130,414	-	-	130,414
Total Financial Assets	273,263	-	273,263	-	-	273,263
Financial Liabilities						
Trade Payables	169,795	-	169,795	-	-	169,795
Other financial Liabilities	7,845,450	-	7,845,450	-	-	7,845,450
Total Financial Liabilities	8,015,245	-	8,015,245	-	-	8,015,245
As at March 31, 2018:						
Financial Assets						
Cash and cash equivalents	2,072,639	-	2,072,639	-	-	2,072,639
Other financial assets	32,245	-	32,245	-	-	32,245
Total Financial Assets	2,104,884	-	2,104,884	-	-	2,104,884
Financial Liabilities						
Trade Payables	190,436	-	190,436	-	-	190,436
Other financial Liabilities	7,845,450	-	7,845,450	-	-	7,845,450
Total Financial Liabilities	8,035,886	-	8,035,886	-	-	8,035,886

30. **Segment Information:**

In accordance with Ind AS 108, Operating Segment used to present the segment information are identified on the basis of internal report used by the Company's management to allocate resources to the segment and assess their performances. The Board of the directors of the Company is collectively Chief Operating Decision Maker (CODM). The Company's activities comprising of Renting of Immovable Property and Investment Activity are in one single reportable segment and also are in one geographical segment (within India). Therefore, there is no other significant class of operating segment or geographical segment.

31. **Related Party Transactions:**

Hindalco Industries Limited is the Parent of the Company. The details of transactions and outstanding balances with the parent are given below:

(a). **Transactions**

(Amount in ₹)

	Year ended 31/03/2019	Year ended 31/03/2018
i. **Services Rendered**		
Rent received (Excluding taxes)	5,665,352	5,566,893
ii. **Dividend paid**		
Interim Dividend paid	39,610,000	-

(Amount in ₹)

	As at 31/03/2019	As at 31/03/2018
(b). **Outstanding Balances**		
Security Deposit (Refundable)	1,845,450	1,845,450
Rent receivable	30,139	-
Interim Dividend payable	-	-

32. Previous period figures have been reclassified wherever required to conform to the presentation of current period.

As per our report annexed.

For Manoj Vipin & Co.
Chartered Accountants
Firm Registration No. 124804W

MANOJ VIPIN & CO. ★ CHARTERED ACCOUNTANTS ★

DHARMESH SOLANKI
Partner
Membership No. 120483

Place: Mumbai
Date: April 22, 2019

For and on behalf of the Board of
Lucknow Finance Company Limited

Anil Mathew
DIN: 00584386

D C Kabra
DIN: 00579509

Price Waterhouse & Co Chartered Accountants LLP

Independent auditor's report

To the Members of Dahej Harbour and Infrastructure Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Dahej Harbour and Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. 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 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.

Other Information

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

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Responsibilities of management and those charged with governance for the financial statements

5. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the including the Indian Accounting standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 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.

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

Auditor's responsibilities for the audit of the financial statements

7. 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.

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

   a) 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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FRN 304026E/E-300009
Mumbai

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) 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.

9. 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.

10. 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

11. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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.

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Mumbai

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements.

ii. The Company has long-term contracts including as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2019.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date : April 25, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of Dahej Harbour and Infrastructure Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Dahej Harbour and Infrastructure Limited ("the Company") as of March 31, 2019 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

2. 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 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.

Auditors' Responsibility

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to 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.

5. 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 with reference to financial statements.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of Dahej Harbour and Infrastructure Limited on the financial statements for the year ended March 31, 2019

Meaning of Internal Financial Controls with reference to financial statements

6. 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) 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

7. 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 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009

Bansal.

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date : April 25, 2019

Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report
Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Dahej Harbour and Infrastructure Limited on the financial statements as of and for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 4 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. 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. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and service tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax and Interest	239.40	Assessment Year 2016-17	Deputy Commissioner Income Tax
The Finance Act, 1944	Service Tax	1,257.85	2006-07 to Apr-12 and Jul-12 to Jan-13	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		25.66	Apr-12 to Jun-12	Joint /Additional Commissioner of Central Excise & Customs & Service Tax
		720.92	2006-07 to Jun-12 and Apr -2013 to Sep-15	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		169.26	Jul-12 to Mar-13 Oct 15 to Jun-17	Joint /Additional Commissioner of Central Excise & Customs & Service Tax
		246.54	2010-11 to Jun'2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

*Net of Amounts deposited

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
★ Mumbai ★

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties 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, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. 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 are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009

V Bansal.

Vipin R. Bansal
Partner
Membership Number: 117753

Place: Mumbai
Date : April 25, 2019

Dahej Harbour and Infrastructure Limited

Balance Sheet as at 31st March, 2019

(Rs. in Lakhs)

Particulars	Note No.	As At 31st March, 2019	As At 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4,5	2,388.26	2,827.63
Financial Assets			
Other Financial Assets	6	5.00	5.00
Other Non-Current Assets	7	121.16	118.27
		2,514.42	**2,950.90**
Current Assets			
Financial Assets			
Investments	8	4,619.67	4,914.46
Trade Receivables	9	701.89	85.87
Cash and Cash Equivalents	10	2,679.59	3,190.21
Other Current Assets	11	66.08	39.90
Income Tax Assets (Net)	12	236.89	343.06
		8,304.12	**8,573.50**
		10,818.54	**11,524.40**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	5,000.00	5,000.00
Other Equity	14	3,888.37	4,910.11
		8,888.37	**9,910.11**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	15	225.00	225.00
Provisions	16	61.78	56.90
Deferred Tax Liabilities (Net)	17	787.31	951.07
		1,074.09	**1,232.97**
Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	18	50.00	-
Trade Payables	19		
Micro Enterprises and Small Enterprises		-	-
Creditors other than Micro Enterprises and Small Enterprises		711.92	295.06
Provisions	20	4.67	4.18
Contract Liabilities		12.42	-
Other Current Liabilities	21	77.07	82.07
		856.08	**381.31**
		1,930.17	**1,614.28**
		10,818.54	**11,524.40**

Basis of preparation and Significant Accounting Policies **1-3**

The accompanying notes are integral part of the financial statements.

As per our attached report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No : 304026E/E-300009

Vipin R. Bansal
Partner
Membership No: 117753

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors

J C Laddha
Director
DIN: 03266469

Anil Mathew
Director
DIN: 05843886

Shweta Gupta
Company Secretary

Ketan Shah
Chief Financial Officer

DAHEJ HARBOUR AND INFRASTRUCTURE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2019

(Rs. In Lakhs)

Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from Operations	22	7,487.69	7,901.59
Other Income	23	444.90	332.90
Total Income		**7,932.59**	**8,234.49**
EXPENSES			
Vessel Handling and Cargo Handling Expenses	24	1,325.54	1,315.26
Employee Benefits Expense	25	189.86	195.79
Finance Costs	26	0.02	0.24
Depreciation Expenses	4,5	443.89	662.81
Other Expenses	27	1,449.34	811.44
Total Expenses		**3,408.65**	**2,985.54**
Profit Before Tax		**4,523.94**	**5,248.95**
Tax Expenses	28		
Current Tax		1,489.84	1,288.52
Deferred Tax		(163.71)	(32.69)
		1,326.13	**1,255.83**
Profit for the Year		**3,197.81**	**3,993.13**
Other Comprehensive income, net of tax			
Items that will not be reclassified to profit and loss			
i) Remeasurement of defined benefit obligation	30	(0.16)	(0.06)
ii)Income tax effect of items that will not be reclassified to profit and loss	39	0.05	0.02
		(0.11)	**(0.04)**
Total Comprehensive Income for the Year,net of tax		**3,197.70**	**3,993.09**
Earnings per equity share Basic and Diluted (Rs.)	29	6.40	7.99

The accompanying notes are integral part of the financial statements

As per our attached report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No : 304026E/E-300009

Vipin R. Bansal
Partner
Membership No: 117753

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors

J C Laddha
Director
DIN: 03266469

Anil Mathew
Director
DIN: 05584386

Shweta Gupta
Company Secretary

Ketan Shah
Chief Financial Officer

DAHEJ HARBOUR AND INFRASTRUCTURE LIMITED
Statement of Changes in Equity for the Year ended 31st March, 2019

(Rs. In Lakhs)

'A' Equity Share Capital

Particulars	Amount
Equity Share capital As at 1st April, 2017	5,000.00
Changes in Equity share capital during 2017-18	-
Balance as at 31st March, 2018	5,000.00
Changes in Equity share capital during 2018-19	-
Equity Share capital As at 31st March, 2019	5,000.00

'B' Other Equity

Particulars	General Reserve	Retained Earnings	Other comprehensive income	Total
			Actuarial Gain/(Loss) on Defined Benefit Obligation	
Balance as at 1st April, 2017	1,549.15	1,777.32	(2.30)	3,324.17
Profit for the year	-	3,993.13	-	3,993.13
Other Comprehensive Income	-	-	(0.04)	(0.04)
Total Comprehensive income for the year	-	3,993.13	(0.04)	3,993.09
Dividends Paid (Including Dividend Distribution Tax)	-	(2,407.15)		(2,407.15)
Balance as at 1st April, 2018	1,549.15	3,363.30	(2.34)	4,910.11
Profit for the year	-	3,197.81	-	3,197.81
Other Comprehensive Income	-	-	(0.11)	(0.11)
Total Comprehensive income for the year	-	3,197.81	(0.11)	3,197.70
Dividends Paid (Including Dividend Distribution Tax)	-	(4,219.44)		(4,219.44)
Balance as at 31st March, 2019	1,549.15	2,341.67	(2.45)	3,888.37

The accompanying notes are integral part of the financial statements

As per our attached report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No : 304026E/E-300009

Vipin R. Bansal
Partner
Membership No: 117753

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors

J C Laddha
Director
DIN: 03266469

Anil Mathew
Director
DIN: 0584386

Shweta Gupta
Company Secretary

Ketan Shah
Chief Financial Officer

DAHEJ HARBOUR AND INFRASTRUCTURE LIMITED

Statement of Cash Flow for the Year ended 31st March, 2019

(Rs. In Lakhs)

	Note No	Year ended 31st Mar, 2019	Year ended 31st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		4,523.94	5,248.95
Adjustment for :			
Finance Costs	26	0.02	0.24
Depreciation and Amortisation	4	443.89	662.81
Net (Gain)/ Loss on Financial Instruments measured at Fair value through Profit and Loss	23	(207.02)	(112.35)
(Profit)/Loss on sale of Investments measured at Fair Value through Profit and Loss	23	(198.97)	(77.19)
Dividend Income	23	(12.02)	(142.05)
Interest Income		(21.01)	-
Operating profit before working capital changes		**4,528.83**	**5,580.41**
Changes in working Capital:			
Trade and other Receivables		(1,262.12)	(23.09)
Trade receivable from Holding Company		617.03	186.17
Trade and other Payables		479.49	(291.70)
Cash generation from Operation before Tax		**4,363.23**	**5,451.79**
Income tax paid (net of Refund)		(1,383.67)	(1,328.34)
Net Cash generated from Operating Activities		**2,979.56**	**4,123.45**
CASH FLOW FROM INVESTING ACTIVITIES			
Payments to acquire Property, Plant and Equipment		(4.52)	-
Purchase of investments		(14,360.67)	(899.99)
Sale of investments		15,083.96	979.35
Loan to related party		2,427.57	-
Loan proceeds from related party		(2,427.57)	-
Interest Income		21.01	-
Net Cash Generated from Investing Activities		**739.79**	**79.36**
CASH FLOW FROM FINANCING ACTIVITIES			
Interest and other charges paid		(0.02)	(0.24)
Dividend Paid (including Dividend distribution Tax)		(4,219.44)	(2,407.15)
Net Cash (Used) in Financing Activities		**(4,219.46)**	**(2,407.39)**
Net (Decrease)/ Increase in Cash and Cash Equivalents		(500.11)	1,795.42
Add : Opening Cash and Cash Equivalents		3,148.20	1,352.78
Cash and Cash Equivalents as reported in Balance Sheet		**2,648.09**	**3,148.20**
Above Cash and Cash Equivalents comprise of:			
Current Accounts		83.51	581.99
Cash on hand (Rs 17)		0.00	-
Liquid Investments		2,564.58	2,566.21
Cash and Cash Equivalents before Fair Value Gain / (Loss) on liquid investments		**2,648.09**	**3,148.20**
Add: Fair Value Gain / (Loss) on liquid investments		31.50	42.01
Closing Cash and Cash Equivalents (Refer note 10)		**2,679.59**	**3,190.21**

i) The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Ind AS - 7 on Statement of Cash Flow as notified under Section 133 of Companies Act, 2013 and Companies (Accounts) Rules, 2015

ii) Cash Flow from Operating Activites includes Rs 143.63 lakhs (March 31, 2018 : Rs 110.86 Lakhs) being expenditure towards Corporate Social Responsibility.

The accompanying notes are integral part of the financial statements

As per our attached report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No : 304026E/E-300009

Vipin R. Bansal
Partner
Membership No: 117753

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors

J C Laddha
Director
DIN: 03266469

Anil Mathew
Director
DIN: 05384386

Shweta Gupta
Company Secretary

Ketan Shah
Chief Financial Officer

Company Overview

Dahej Harbour And Infrastructure Limited ("the Company") was incorporated in India in the year 1998 having its registered office at P.O. Dahej, Lakhigam, Bharuch-392130.

The Company has Jetty at Dahej, Dist. Bharuch in the State of Gujarat on License given by Gujarat Maritime Board on build, transfer, operate and maintain basis mainly for the purpose of handling captive cargo for its holding company M/s Hindalco Industries Ltd (Unit: Birla Copper).

1. Basis of preparation

i. These Financial Statements have been approved by the Board of Directors in their meeting held on 25th April, 2019.

ii. Compliance with Ind AS

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

iii. Historical Cost Convention

The financial statements have been prepared under the historical cost convention,except for the certain financing assets and liabilities is measured at fair value.

iv. New and Amended standard adopted by Company

The financial statements have been prepared after applying the following standards and amendments for the first time for their annual reporting period commencing from 1st April,2018:

1. Ind AS 115, Revenue from Contracts from Customers
2. Amendment to Ind AS 12, Income Taxes

The Company had to change its accounting policies following the adoption of Ind AS 115. Amendments and adoption listed above did not have material impact on the amount recognized in prior period and are not expected to affect the current or future periods.(Company has adopted modified restropective approach)

V Standards Issued but not yet effective

The ministry Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 (the rules) on 30 March 2019. The rule notify the new lease standard Ind As 116, Leases and also brings amendments to existing Ind AS. The rules shall be effective from reporting periods beginning on or after 1 April 2019 and cannot be early adopted.

The Company is in the process of assessing the impact of above rules.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

a) Property, Plant and Equipment

Tangible Assets

Property, plant and equipment are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads and directly attributable borrowing costs.

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Chartered Accountants
FRN 304026E/E-300009
Mumbai

Depreciation

Depreciation is charged so as to write off the cost or value of tangible assets, over their estimated useful lives. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 .

The useful life of the items of Property,Plant and Equipment estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

Particulars	Useful Life (in years)
Plant and Equipment	10-15
Office Equipment	5-15
Furniture and Fixtures	10
Vehicles	10

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the statement of profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in recoverable amount.

Jetty is reported at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged over the agreed 25 years of jetty. The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Disposal of assets

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

b) Revenue recognition

The Company enters in to fixed price contracts with its customers for providing cargo and vessel handling services and other ancillary services to the customer. Revenue from these contracts is recognised in the period, when the service obligations are rendered to customer.

Unbilled revenue on the services rendered by the company, which exceeds the payment from customer, is recognised as a contract asset. If the payment exceeds the services rendered, a contractual liability is recognised.

c) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set- off against the normal tax liability. Such asset is reviewed at each Balance Sheet date

d) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
Chartered Accountants
FRN 304026E/E-300009
Mumbai

e) Investments and other financial assets

i. Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss) and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii. Recognition

Regular way purchase and sale of financial assets are recognised on trade - date, the date on which Company commits to purchase or sale of financial assets.

iii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

iv. Impairment of financial assets

The Company assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and fair value through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how Company determines whether there has been a significant increase in credit risk.

v. Income Recognition

Interest Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income

Dividend Income

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognised as other income in profit or loss.

f) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their transaction price.

g) Trade receivables

Trade receivables are measured at their transaction price less provision for doubtful debts in case of probability of realization is doubtful.

h) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

i) Employee benefits

Retirement benefit, medical costs and termination benefits

For defined benefit retirement , the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds.

Remeasurement, comprising actuarial gains and losses is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

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

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Short-term and other long-term employee benefits

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

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit retirement plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

j) Earnings per share

(i) Basic earnings per share:-

Basic earnings per share is calculated by dividing:
- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
-the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee in lakhs as per the requirement of Schedule III, unless otherwise stated.

3. Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

I. Useful life and impairment of property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, considering useful life as per Companies Act 2013. Increasing an asset's expected life would result in a reduced depreciation charge in the income statement.

The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically, changes in useful lives have not resulted in material changes to the Company's depreciation charge.

II. Estimation of Defined Benefit Obligation

Employee Benefits requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected long- term increase in Salary costs and discount rates. Substantial changes in the assumed development of any one of these variables may significantly change the Company's retirement benefit obligation.

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4 **Property, Plant and Equipment**

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at 1st April, 2017	Addition	Deduction	As at 31st March, 2018	As at 1st April, 2017	Addition	Deduction	As at 31st March, 2018	As at 31st March, 2018	As at 1st April, 2017
Plant and Equipment	164.62	-	-	164.62	156.39	-	-	156.39	8.23	8.23
Jetty	15,115.32			15,115.32	11,640.90	661.83		12,302.73	2,812.59	3,474.42
Office Equipment	0.95	-	-	0.95	0.54	0.14	-	0.68	0.27	0.41
Furniture and Fixtures	1.46	-	-	1.46	0.42	0.10	-	0.52	0.94	1.04
Vehicles	7.75	-	-	7.75	1.41	0.74	-	2.15	5.60	6.34
TOTAL	**15,290.10**	-	-	**15,290.10**	**11,799.66**	**662.81**	-	**12,462.47**	**2,827.63**	**3,490.44**

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at 1st April, 2018	Addition	Deduction	As at 31st Mar, 2019	As at 1st April, 2018	Addition	Deduction	As at 31st Mar, 2019	As at 31st Mar, 2019	As at 1st April, 2018
Plant and Equipment	164.62	-	-	164.62	156.39	-	-	156.39	8.23	8.23
Jetty	15,115.32			15,115.32	12,302.73	442.85	-	12,745.58	2,369.74	2,812.59
Office Equipment	0.95	1.11	-	2.06	0.68	0.18	-	0.86	1.20	0.27
Furniture and Fixtures	1.46	3.41	-	4.87	0.52	0.12	-	0.64	4.23	0.94
Vehicles	7.75	-	-	7.75	2.15	0.74	-	2.89	4.86	5.60
TOTAL	**15,290.10**	**4.52**	-	**15,294.62**	**12,462.47**	**443.89**	-	**12,906.36**	**2,388.26**	**2,827.63**

5 Jetty represents expenses incurred for civil construction. The ownership of jetty vests with Gujarat Maritime Board (GMB). However, GMB has granted the Company, permission for the use of the jetty .

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		As At 31st March, 2019	As At 31st March, 2018
6	**Other Financial Assets, Non-current**		
	(Unsecured, considered good unless otherwise stated)		
	Security and judicial deposits	5.00	5.00
	TOTAL	**5.00**	**5.00**
7	**Other Non-Current Assets**		
	Deposits with Government and other authorities	121.16	118.27
	TOTAL	**121.16**	**118.27**
8	**Investments**		
	Investments in Debt Mutual Funds		
	Birla Sun Life Dynamic Bond Fund-Retail-Growth-Direct Plan [(Face Value Rs. 10, No. of Units Nil (previous year 54,32,803)]	-	1,676.06
	Birla Sun Life STF-Growth-Direct Plan [Face Value Rs. 10, No of Units Nil (previous year 4,97,619)]	-	332.51
	IDFC Arbitrage Plus Fund-Direct Plan-Dividend [Face Value Rs. 10, No of units Nil (previous year 2,02,88,753)]	-	2,503.17
	Quantum Dynamic Bond Fund-Growth [Face Value Rs. 10, No. of Units 9,01,892 (previous year 9,01,892)]	124.13	116.23
	BIRLA SUN LIFE SAVING FUND-GROWTH -DIRECT [Face Value Rs. 10, No. of Units 2,63,213 (previous year Nil]	978.52	-
	JM Arbitrage Advantage Fund-Bonus Option [Face value Rs. 10, No. of units 22,86,303 (previous year 22,86,303)]	300.34	286.49
	ABSL Money Manager Fund Gr.-Direct (formerly Birla Sun Life Floating Rate Fund STFP - Growth - Direct) [Face value Rs. 10, No of Units 12,77,982 (previous year Nil)]	3,216.68	-
		4,619.67	**4,914.46**
9	**Trade Receivables***		
	Unsecured, Considered Good	701.89	85.87
	Unsecured, Considered Doubtful	9.46	9.46
	Less: Allowance for Doubtful amount	(9.46)	(9.46)
	TOTAL	**701.89**	**85.87**

*Including from Holding Company, Hindalco Industries Limited Rs 650.75 Lakhs (Previous year : 33.72 Lakhs)-Refer note 31

		As At 31st March, 2019	As At 31st March, 2018
10	**Cash and Cash Equivalents**		
	Cash on hand (Rs.17 [previous year Rs. 17])	0.00	0.00
	Balances with bank		
	Current Accounts	83.51	581.99
	Short Term Liquid Investments		
	Birla Sun Life Floating Rate Fund STFP - Growth - Direct [(Face value Rs 10, No of Units Nil (Previous year 2,69,540)]	-	625.29
	Birla Sun Life Floating Rate Fund STFP - Growth [(Face value Rs 10, No of Units Nil (Previous year 8,58,139)]	-	1,982.93
	IDFC Cash Fund-Growth-Direct Plan [Face Value Rs 10, No of units 1,14,540 (previous year Nil)]	2,596.08	-
	TOTAL	**2,679.59**	**3,190.21**
11	**Other current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Advances to employees	0.93	0.93
	Advance to supplier for goods and services	34.25	9.00
	Prepaid expenses	30.90	29.97
	TOTAL	**66.08**	**39.90**
12	**Income Tax Assets (Net)**		
	Advance Tax (Net of Provisions)	236.89	343.06
	TOTAL	**236.89**	**343.06**

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		As At 31st March, 2019	As At 31st March, 2018
13	**Share Capital**		
	Authorised		
	5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs. 10/- each.	5,000.00	5,000.00
		5,000.00	**5,000.00**
	Issued		
	5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs. 10/- each.	5,000.00	5,000.00
		5,000.00	**5,000.00**
	Subscribed and Paid-up		
	5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs. 10/- each.	5,000.00	5,000.00
	TOTAL	**5,000.00**	**5,000.00**

(a) Reconciliation of the number of Shares outstanding:

Particulars	As At 31st March, 2019	As At 31st March, 2018
Equity shares outstanding at the beginning of the year	50,000,000	50,000,000
Equity shares outstanding at the end of the Year	50,000,000	50,000,000

(b) Shareholder holding more than 5% shares of the Company:

Particulars	As At 31st March, 2019	As At 31st March, 2018
Name of Share Holder	No of Shares Held	No of Shares Held
Hindalco Industries Limited (Holding Company)	50,000,000	50,000,000

(c) Rights, preferences and restrictions attached to Equity Shares:

The Company has one class of equity shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

		As At 31st March, 2019	As At 31st March, 2018
14	**Other Equity**		
	General Reserve		
	Balance at the beginning of the year	1,549.15	1,549.15
	Balance at the end of the year	**1,549.15**	**1,549.15**
	Retained Earnings		
	Balance at the beginning of the year	3,363.30	1,777.32
	Profit and Loss for the Period	3,197.81	3,993.13
	Less: Dividend on Equity Shares and Dividend Distribution Tax	4,219.44	2,407.15
	Balance at the end of the year	**2,341.67**	**3,363.30**
	Other Comprehensive Income		
	Items That Will Not Be Reclassified to Profit and Loss (Net of Income Tax Effect)		
	Balance at the beginning of the year	(2.34)	(2.30)
	Addition during the year	(0.11)	(0.04)
	Balance at the end of the year	**(2.45)**	**(2.34)**
	TOTAL	**3,888.37**	**4,910.11**

The Board of Directors has declared interim dividend of Rs.7/-per share on dated 28th September, 2018 (Previous year Rs 4/-per share on 30th June, 2017)

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		As At 31st March, 2019	As At 31st March, 2018
15	**Other Financial Liabilities, Non Current**		
	Security and Other deposits	225.00	225.00
	TOTAL	**225.00**	**225.00**
16	**Provisions, Non-current**		
	Provision for employee benefits		
	Provision For Gratuity (Refer Note 30)	38.45	32.36
	Provision For leave encashment	23.33	24.54
	TOTAL	**61.78**	**56.90**
17	**Deferred Tax Liabilities (Net)- (Refer Note 39)**		
	Deferred tax liabilities		
	Deferred Tax Liabilities	805.93	968.08
	Deferred Assets	(18.62)	(17.01)
	Deferred tax liabilities (Net)	**787.31**	**951.07**
18	**Other Financial Liabilities, Current**		
	Earnest Money Received	50.00	-
	TOTAL	**50.00**	**-**
19	**Trade Payable, Current**		
	Micro Enterprises and Small Enterprises*	-	-
	Creditors other than Micro Enterprises and Small Enterprises	711.92	295.06
	TOTAL	**711.92**	**295.06**

*The company has no information from its suppliers being registered under / covered by "The Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act)"hence, no disclosure regarding amount payable and other disclosure can be made.

		As At 31st March, 2019	As At 31st March, 2018
20	**Provisions, Current**		
	Provision for employee benefits		
	Provision for Gratuity (Refer Note 30)	1.45	1.20
	Provision for Leave	3.22	2.98
	TOTAL	**4.67**	**4.18**
21	**Other Current Liabilities**		
	Statutory dues payable	51.30	44.30
	Salary and wages payable	24.44	17.90
	Employee related statutory liabilities	1.33	1.23
	Advance from customer	-	18.64
	TOTAL	**77.07**	**82.07**

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(Rs. In Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
22	**Revenue from Operations**		
	Revenue from Contract with Customers		
	Sale of Services	7,487.69	7,901.59
	Total	**7,487.69**	**7,901.59**
23	**Other Income**		
	Dividend income from Investments measured at Fair Value through Profit or Loss	12.02	142.05
	Liability No Longer Required - Written Back	5.88	1.31
	Interest Income	21.01	-
	Gain on sale of Investments measured at Fair Value through Profit or Loss	198.97	77.19
	Net Gain on financial instruments measured at Fair Value through Profit or Loss	207.02	112.35
	Total	**444.90**	**332.90**
24	**Vessel Handling and Cargo Handling Expenses**		
	Vessel Handling and Cargo Handling Expenses	1,325.54	1,315.26
	Total	**1,325.54**	**1,315.26**
25	**Employee Benefits Expense**		
	Salary , Wages and Bonus	161.98	170.48
	Post Employment Benefits		
	Gratuity, Pension and other defined benefits (Refer note 30)	6.18	6.44
	Contribution to Provident fund and other defined contribution funds (Refer note 30)	9.84	9.47
	Staff Welfare Expenses	11.86	9.40
	Total	**189.86**	**195.79**
26	**Finance Costs**		
	Interest expenses	-	0.21
	Other finance cost	0.02	0.03
	Total	**0.02**	**0.24**

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DAHEJ HARBOUR AND INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements

(Rs. In Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
27	**Other Expenses**		
	Repairs to Machinery	673.28	88.19
	Equipment and material handling expenses	38.67	37.26
	Rates and Taxes	1.54	3.12
	Rent	51.32	50.31
	Lease Rent (Refer note 33)	407.91	407.91
	Insurance	29.27	29.68
	Payment to Auditors (Refer note (a) below)	2.50	2.50
	Corporate Social Responsibility Expenditure (refer Note (b) below)	143.63	110.86
	Miscellaneous Expenses	101.22	81.61
	Total	**1,449.34**	**811.44**
	Note:(a) Details of auditors remuneration (net of credit for taxes)		
	For Audit Fee	2.50	2.50
	For Tax Audit	-	-
	For Certification	-	-
	Out of pocket expense	-	-
	Total	**2.50**	**2.50**
	(b) Corporate Social Responsibility Expenditure		
	Gross amount required to be spent by the company during the year	108.48	107.75
	Amount Spent during the year-		
	(i) Construction/Acquisition of an asset	-	-
	(ii) On Purpose other than (i) above	143.63	110.86
	Total	**143.63**	**110.86**
28	**Tax Expenses (Refer note 39)**		
	Current Tax		
	Current income tax expense for the year	1,489.84	1,288.52
	Deferred Tax		
	Deferred income tax (benefit)/expense for the year	(163.71)	(32.69)
	TOTAL	**1,326.13**	**1,255.83**
29	**Earning per Share**		
	Net Profit (Rs in Lakhs)	3,197.81	3,993.13
	Weighted average number of shares used in the calculation of EPS	50,000,000	50,000,000
	Face value of per share (Rs.)	10.00	10.00
	Basic and Diluted EPS	**6.40**	**7.99**

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(Rs. In Lakhs)

30 Employee benefits

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for

	31st March, 2019	31st March, 2018
Contribution to government Provident Fund	7.87	7.64
Contribution to Superannuation Scheme	1.97	1.83

(ii) Defined Benefit Plan:

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.The most recent actuarial valuation for defined benefit obligation for gratuity were carried out as at 31 March 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts

	31st March, 2019	31st March, 2018
Net defined benefit asset	-	-
Total employee benefit asset	-	-
Net defined benefit liability	39.90	33.56
Total employee benefit liabilities	39.90	33.56
Non-current	38.45	32.36
Current	1.45	1.20

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances

Disclosure of various Employee Benefit Schemes (Defined) based on Actuarial Valuation Report under Ind AS 19

	Year ended	
	31st March, 2019	**31st March, 2018**
a. Change in Obligations over the year ended 31 March, 2019		
Present Value of Defined Benefit Obligation at the begning of the year	33.56	28.83
Current Service cost	3.66	4.48
Past Service Cost	-	-
Interest Cost	2.52	1.96
Actuarial (gains)/ losses experience	0.16	(1.58)
Actuarial (gains)/ losses demogrphic assumption	-	(0.04)
Actuarial (gains)/ losses financial assumption	-	1.68
Benefits paid directly by company	-	(1.77)
Benefits paid from planned assets	-	-
Present Value of Defined Benefit at the end of the year	**39.90**	**33.56**
Fair value of Plan Assets at the end of the year	-	-

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	Year ended 31st March, 2019	Year ended 31st March, 2018
b. Development of Net Balance Sheet Position		
Defined Benefit Obligation	(39.90)	(33.56)
Funded Status{surplus/(Defecit)}	-	-
Amount recognised in Balance Sheet	**(39.90)**	**(33.56)**
c. Reconciliation of Net Balance Sheet Position		
Net Defined benefit asset/(Liability)at the end of prior period	(33.56)	(28.83)
Service cost	(3.66)	(4.48)
Net Interest on net defined benefit liability/(asset)	(2.52)	(1.96)
Actuarial gains/ (losses)	(0.16)	(0.06)
Benefit paid directly by company	-	1.77
Net Defined benefit asset/(Liability)at the end of Current period	**(39.90)**	**(33.56)**
d. Expense recognised during the year		
Current Service cost	3.66	4.48
Net Interest on net defined benefit liability/(asset)	2.52	1.96
Immediate recognition of (gains)/ losses-other long term employee benefit cost	-	-
Total	**6.18**	**6.44**
e. Other Comprehensive Income(OCI)		
Accturial (gain)/loss due to DBO experience	0.16	(1.58)
Accturial (gain)/loss due to DBO assumption changes	-	1.64
Accturial (gain)/loss arising during the period	0.16	0.06
Accturial (gain)/loss recognised in OCI	**0.16**	**0.06**
f. Defined Benefit Cost		
Service Cost	3.66	4.48
Net Interest on net defined benefit liability/(asset)	2.52	1.96
Accturial(gain)/loss recognised in OCI	0.16	0.06
Immediate recognition of (gains)/losses-Other LT employee benefit cost		
Defined Benefit Cost	**6.34**	**6.50**

	As at 31st March, 2019	As at 31st March, 2018
g.Total employee benefit liabilities		
Current Liability	(1.45)	(1.20)
Non Current Liability	(38.45)	(32.36)
	(39.90)	**(33.56)**

h. Sensitivity Analysis

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. Inpractice,This is unlikely to occur and changes in some of the assumptions may be correlated.When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of the defined obligation calculated with the projected unit credit method at the end of the reporting period) has applied as when calculating the defined benefit liability recognised in the balance sheet.

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Notes forming part of the Financial Statements

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	As at	
	31st March, 2019	**31st March, 2018**
Effect on DBO due to 1% Increase in Discount Rate	(3.66)	(3.23)
Effect on DBO due to 1% Decrease in Discount Rate	4.23	3.76
Effect on DBO due to 1% Increase in Salary	4.17	3.71
Effect on DBO due to 1% Decrease in Salary	(3.67)	(3.25)

i. Methodology for defined benefit obligation:
The projected Unit Credit (PUC) acturial method has been used to assess the plan's liabilities, including thos related to death-in-service and incapability benefits.

j. Expected Benefit Payment		
within 1 year	1.50	1.24
1-2 year	1.70	1.43
2-3 year	1.90	1.62
3-4 year	2.20	1.82
4-5 years	2.40	2.05
5-10 years	38.00	36.31

C. Actuarial assumptions
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Discount rate	7.50%	7.50%
Expected rate of future salary increase	8.00%	8.00%

D. Description of Risk Exposures:
Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -
A) Salary Inflation risk - Higher than expected increase in salary will increase the defined benefit obligation.

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

C) Demographic risk: This s the risk of variability of results due to unsystematic nature of decrements, that include mortality, withdrawl, disability and retirement. The effect of these decrements on the defined obligation is not straight forward and depends upon the combination of salary increase, discount rate, and vesting criteria.

31. Related party Transactions as per Ind AS 24:

A. Related parties and their relationships

i Parties where control exists:
Hindalco Industries Limited - Parent Company

ii Fellow subsidiaries (List is restricted to the Companies with whom transactions were entered)
Suvas Holding Linited

iii Key Managerial Personnel

Name	**Relationship**
Mr J C Laddha	Director
Mr Anil Mathew	Director
Mr. Sanjay Sarkar	Director
Mr. Deepak Razdan	Manager (Designated under the Companies Act, 2013)

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Chartered Accountants
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Mumbai

DAHEJ HARBOUR AND INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements

(Rs. In Lakhs)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
B. Transactions with the above in the ordinary course of business		
a) Transactions during the year with parent company		
Services rendered	3,268.42	3,465.63
Services received		
Insurance Charges	30.20	27.42
Employee Related	1.85	1.44
Diesel/Petrol	-	0.43
Licence Fees paid	0.60	0.60
Water charges paid	6.21	3.95
Interim Dividend paid	3,500.00	2,000.00
Recovery of Wharfage Charges	747.90	431.48
b) Outstanding balance		
Receivables from Holding Company	650.75	33.72
c) Transaction during the year with fellow subsidiary-Suvas Holding Limited		
Loan given	2,427.57	-
Loan repayment received	2,427.57	-
Interest Received	20.48	-
C. Remuneration		
a) Director Sitting Fee		
Mr M M Bhagat	-	0.91
Mr K N Bhandari	-	1.01
b) Key Managerial Personnel Compensation		
Mr. Deepak Razdan		
Short-term employee benefits *	24.42	22.59
Post-employee benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee share based payment	-	-

*Including perquisites and excluding gratuity and leave encashment provisions,which are considered on payment basis.

32 Contingent Liabilities and Contingent Assets and Commitments

A Contingent Liabilities

	As at 31st March, 2019	As at 31st March, 2018
Service Tax Demand	2,537.00	2,495.83
Income Tax Demand	-	20.32
	2,537.00	**2,516.15**

B Contingent Assets	Nil	Nil
C Capital Commitments	Nil	Nil

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33 Lease Obligations

The Company has entered in to leasing arrangements under operating lease:
For material handling lease expenses that are renewable on a periodic basis and some of which are cancellable in nature. Minimum rent for cancellable and non-cancellable operating leases included in the statement of profit and loss for the year is Rs 407.91 Lakhs (Previous year Rs 407.91 Lakhs).

Future aggregate minimum lease payments under non cancellable operating lease is as under:

Not later than 1 year	68.18	407.91
Later than 1 year and not later than 5 years	-	68.18
Later than 5 years	-	-

34 Fair Value Measurement Note

Accounting classifications fair values

Financial Assets:	As at 31st March, 2019		As at 31st March, 2018	
	Ammortised cost	FVTPL	Ammortised cost	FVTPL
Investments in Debt Instruments				
Mutual Funds	-	4,619.67	-	4,914.46
Cash & Cash Equivalents				
Cash & Bank	83.51	-	581.99	-
Liquid Mutual Funds	-	2,596.08	-	2,608.22
Trade Receivables	701.89		85.87	-
Other financial assets	5.00	-	5.00	-

Financial Liabilities	As at 31st March, 2019		As at 31st March, 2018	
	Ammotised cost	FVTPL	Ammotised cost	FVTPL
Trade Payables	711.92	-	295.06	-
Other Financial Libilities	275.00	-	225.00	-

35 Fair Value Hierarchy

The following table shows the details of financial assets and financial liabilities including their level in the fair value hierarchy:

(i) Financial asstes and financial liabilities measured as fair value - recurring fair value measurements:

Financial Assets	As at 31st March, 2019			As at 31st March, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in Debt Mutual Funds						
Mutual Funds	4,619.67	-	-	4,914.46	-	-
Cash and Cash Equivalents						
Liquid Mutual Funds	2,596.08	-	-	2,608.22	-	-

Fair value of financial assets and liabilities measured at amortied cost is not materialy different than their carrying amounts and hence not disclosed seprately

Level 1 hierarchy includes financial instruments valued using quoted market prices. Listed equity instruments and traded debt instruments which are traded in the stock exchanges are valued using the closing price at the reporting date. Mutual funds are valued using the closing Net Asset Value.

Level 2 hierarchy includes financial instruments that are not traded in active market. This includes OTC derivatives and debt instruments valued using observable market data such as yield etc. of similar instruments traded in active market. All derivatives are reported at discounted values hence are included in level 2. Borrowings have been fair valued using market rate prevailing as on the reporting date.

Level 3 If one or more significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments and certain debt instruments which are valued using assumptions from market participants.

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36 Financial Risk Management

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established processes to ensure that executive management controls risks through the mechanism of properly

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

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

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely. The Management impact analysis shows credit risk and impact assessment as low.

(i) Summary of trade receivables and provision with ageing as on March 31, 2019

Particulars	Past due					
	1 to 30 days	31 to 60 days	61 to 120 days	121 to 180 days	Over 180 days	Total
Gross Carrying Amount	517.42	176.10	1.91	-	15.92	711.35
Other provisions e.g. specific bad debt provision	-	-	-	-	9.46	9.46
Carrying amount of trade receivables	517.42	176.10	1.91	-	6.46	701.89

(ii) Summary of trade receivables and provision with ageing as on March 31, 2018

Particulars	Past due					
	1 to 30 days	31 to 60 days	61 to 120 days	121 to 180 days	Over 180 days	Total
Gross Carrying Amount	76.04	3.40	-	-	15.89	95.33
Other provisions e.g. specific bad debt provision	-	-	-	-	9.46	9.46
Carrying amount of trade receivables	76.04	3.40	-	-	6.43	85.87

Of the trade receivable balance as at 31st March, 2019 is due from the following customers being the Company's largest customers.There are no other customer who represent more than 10% of the total balance of trade receivables.

Name of Customer	Amount receivable as at 31st March, 2019	Percentage of total receivables Balance	Amount receivable as at 31st March, 2018	Percentage of total receivables Balance
Hindalco Industries Ltd-Unit Birla Copper	650.75	92.71%	33.72	39.27%
Atlantic Shipping Pvt Ltd	6.60	0.94%	42.32	49.29%

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(Rs. In Lakhs)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation, Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

i) Maturity Analysis

Contractual maturities of financial liabilities as at 31/03/2019	Less than 1 Year	1 year to 2 Years	2 years to 5 Years	More than 5 years	Total
Trade Payables	711.92	-	-	-	711.92
Other Financial Laibilities	50.00	-	-	225.00	275.00

Contractual maturities of financial liabilities as at 31/03/2018	Less than 1 Year	1 year to 2 Years	2 years to 5 Years	More than 5 years	Total
Trade Payables	295.06	-	-	-	295.06
Other Financial Laibilities	-	-	-	225.00	225.00

iv. Market Risk : Interest risk

Market risk is the risk that changes in market prices – such as vessel handling charges and interest rate of debt instrument – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. There is no foreign currency transaction and borrowing, hence there will not be any foreign currency and interest risk.

37 Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. No changes were made to the objectives, policies or processes for managing capital during the years ended March 31, 2019. Company is not having any debt.

38 Segment Reporting

In accordance with the requirements of Accounting Standard 108 - "Operating Segments" notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act, the Company has determined its business segment as "Cargo handling, Vessel handing and other ancillary charges" as single segment. Since 100% of the Company's business is from single segment, there are no other primary reportable segments. Further, the Company has all operations within India. Thus, no primary or secondary segment is required to be disclosed.

Revenue from following customers is more than 10% of company's revenue :

Particulars	Amount (2018-19)	Pecentage of total revenue	Amount (2017-18)	Pecentage of total revenue
Hindalco Industries Limited	3268.42	43.65%	3465.63	43.86%
Atlantic Shipping Private Limited	824.40	11.01%	-	-
Seashore Ship Agencies Private Limited	789.73	10.55%	1096.68	13.88%

(Rs. In Lakhs)

39 Movement in deferred tax balances

	As at 31st March, 2018	Recognized in P&L	Recognized in OCI	As at 31st March, 2019
Deferred Tax Assets				
Employee benefits	17.01	1.56	0.05	18.62
MAT Credit Entitlement	-	-	-	-
Sub- Total (a)	**17.01**	**1.56**	**0.05**	**18.62**
Deferred Tax Liabilities				
Property, plant and equipment	792.49	(121.88)	-	670.61
Fair value adjustment of Financial Asset	175.59	(40.27)	-	135.32
Sub- Total (b)	**968.08**	**(162.15)**	-	**805.93**
Net Deferred Tax Liability (b)-(a)	**951.07**	**(163.71)**	**(0.05)**	**787.31**

	As at 31st March, 2017	Recognized in P&L	Recognized in OCI	As at 31st March, 2018
Deferred Tax Assets				
Employee benefits	17.06	(0.03)	(0.02)	17.01
MAT Credit Entitlement	328.53	(328.53)	-	-
Sub- Total (a)	**345.59**	**(328.56)**	**(0.02)**	**17.01**
Deferred Tax Liabilities				
Property, plant and equipment	1,159.53	(367.04)	-	792.49
Fair value adjustment of Financial Asset	169.80	5.79	-	175.59
Sub- Total (b)	**1,329.33**	**(361.25)**	-	**968.08**
Net Deferred Tax Liability (b)-(a)	**983.74**	**(32.69)**	**0.02**	**951.07**

Amounts recognised in profit or loss

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current tax expense		
Current year	1,489.84	1,288.52
Deferred tax expense		
Origination and reversal of temporary differences	(163.71)	(32.69)
Total Tax Expense	**1,326.13**	**1,255.83**

Amounts recognised in Other Comprehensive Income

	For the year ended 31st March, 2019			For the year ended 31st March, 2018		
	Before tax	Tax Expense/ (Income)	Net of tax	Before tax	Tax Expense/ (Income)	Net of tax
Remeasurements of defined benefit liability	(0.16)	(0.05)	(0.21)	(0.06)	0.02	(0.04)
	(0.16)	(0.05)	(0.21)	(0.06)	0.02	(0.04)

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Mumbai

Reconciliation of effective current tax rate

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit before tax	4,523.94	5,248.95
Indian Statutory Income Tax Rate	29.12%	34.61%
Estimated income tax expenses	1,317.37	1,816.56
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Expenses not deductible in determining taxable profit	38.39	38.82
Income exempt from tax	(3.50)	(49.16)
Reassessment of brought forward tax credit	-	(371.47)
Impact of tax rate change for deferred tax	-	(178.91)
Impact due to Long Term Capital Gain (taxable at different rate)	(26.13)	-
Income tax expense recognised in Profit and Loss	**1,326.13**	**1,255.83**

As per our attached report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No : 304026E/E-300009

Vipin R. Bansal
Partner
Membership No: 117753

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors

J C Laddha
Director
DIN: 03266469

Anil Mathew
Director
DIN: 05843 86

Shweta Gupta
Company Secretary

Ketan Shah
Chief Financial Officer

N. R. MISHRA & CO.
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To The Members of the Company
EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows and the Statement of changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone IND AS Financial Statements").

KEY AUDIT MATTERS

Material Uncertainty Related to "Going Concern"

The Company has lost its substratum and defies all such criteria to be considered as a "Going Concern" because of the fact that the purpose for which the Company was basically incorporated has no possibility of being carried out, not even in distant future, in absence of any exclusive raising contract being awarded in favor of the Company as per the "Joint Venture Agreement" under which the Company was so conceived, and in our opinion there is no possibility that the Company would ever be able to pursue such object in future also. The Net worth of the Company has also been eroded and the Company is only thriving on the funds of the holding company for its expenses.

The above factors cast a significant uncertainty on the company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the company has prepared the aforesaid statements on a going concern basis.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in sub section 5 of the Section 134 of the Companies Act 2013 ["the Act"] with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and the changes in equity of the Company in accordance with the accounting

N.R. Mishra & Co. Bhubaneswar Chartered Accountants

2nd Floor, Biswal Commercial Complex, Cuttack Road, Laxmi Sagar, Bhubaneswar - 751006
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principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under the section 133 of the Act, read with relevant rules of the Companies (Accounts) Rules, 2014 ["the Rules"].

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and others 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 standalone IND AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

AUDITORS' RESPONSIBLITY

Our responsibility is to express an opinion on these standalone IND AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone IND AS financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone IND AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone IND AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone IND AS financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the

N R Mishra & Co. Bhubaneswar Chartered Accountants

accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone IND AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the IND AS, of the state of affairs of the Company as at March 31, 2019 and its financial performance (Loss), its Cash Flows, and the changes in equity for the year ended on that date.

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 exercise of powers conferred by sub-section (11) of section 143 of the Act, is not applicable for the Company, and therefore we are not required to enclose in 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules of the Companies (Accounts) Rules, 2014 issued there under.

N R Mishra & Co. Bhubaneswar Chartered Accountants

e) On the basis of written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-A" and

g) With respect to 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, we report as under

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone IND AS financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.

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

For N. R. MISHRA & CO,
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

RANJAN K. SAHOO, FCA
PARTNER
MEMBERSHIP NO- 057106
FRN 319137E
Place: Bhubaneswar
Date: May 20, 2019

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT-31ST MARCH, 2019

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION CLAUSE (I) OF SUB-SECTION 3 OF THE SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **EAST COAST BAUXITE MINING COMPANY PRIVATE LTD** ("the company") as of 31st March, 2019 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accounts of India ("ICAI"). The 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 ("the Act").

AUDITOR'S 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, issued by ICAI and deemed to be prescribed under section 143 (10) of the "Act" to the extent applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

N R Mishra & Co. Bhubaneswar Chartered Accountants

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 designs and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment including the assessment of the risk of material misstatements of the standalone IND AS 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 control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial controls 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 controls 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 the 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 authorizations of management and directors of the company; and:

N R Mishra & Co. Bhubaneswar Chartered Accountants

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 evaluations of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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 the material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For N R MISHRA & CO.
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

(RANJAN K. SAHOO, FCA)
PARTNER
MEMBERSHIP NO-057106
FRN 319137E
Place: Bhubaneswar
Dated: May 20, 2019

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

Balance Sheet as on Mar 31st Mar, 2019

PARTICULARS	Notes	31-Mar-19	31-Mar-18
ASSETS			
Non-current assets			
Intangible assets under development	2	26,000.00	26,000.00
Total non-current assets		26,000.00	26,000.00
Current assets			
- Cash and cash equivalents	3	39,446.40	39,977.40
Total Current Assets		65,446.40	65,977.40
TOTAL ASSETS		65,446.40	65,977.40
EQUITY AND LIABILITY			
Equity			
Equity Share Capital	4	100,000.00	100,000.00
Other Equity	5	(317,300.60)	(294,702.60)
Non-controlling interest			
TOTAL EQUITY		(217,300.60)	(194,702.60)
Liabilities			
Non-current liabilities			
Financial Liabilities			
-Other Financial Liability	6	249,117.00	243,865.00
Total non-current liabilities		249,117.00	243,865.00
Current liabilities			
Financial Liabilities			
Trade and Other Payable	7	33,630.00	16,815.00
Total current liabilities		33,630.00	16,815.00
TOTAL EQUITY AND LIABILITIES		65,446.40	65,977.40

Significant Accounting Policies 1

This accompanying notes are Integral Part of these financial Statement

For N R MISHRA & CO.
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

Ranjan Kumar Sahoo, FCA,DISA
Partner
Membership No. 057106
FRN:319137E
Place : Bhuabaneswar.
Date : May 20, 2019

FOR AND ON BEHALF OF BOARD

SURYA KANTA MISHRA
DIRECTOR

AMIT SENGUPTA
DIRECTOR

Statement of Profit and Loss for the Year ended 31st Mar 2019

Amount in Rupees

PARTICULARS	Notes	For The Year Ended 31-Mar-2019	For The Year Ended 31-Mar-2018
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations		-	-
Other Income		-	-
Total Income		-	-
EXPENSES			
Other Expense	8	22,598.00	23,182.60
Total Expenses		22,598.00	23,182.60
Loss before Taxation		(22,598.00)	(23,182.60)
Tax Expenses:			
Current Tax		-	-
Deferred Tax		-	-
Loss After Taxation		(22,598.00)	(23,182.60)
Other Comprehensive income		-	-
Total Comprehensive income		(22,598.00)	(23,182.60)
Loss Per Share (Basic & Diluted) (In Rupees)	9	(2.26)	(2.32)
[Nominal Value per Share : Rs 10]			
Significant Accounting Policies	1		
This accompanying notes are Integral Part of these financial Statement			

This is the statement of Profit & Loss referred to in our Report of Even Date

For N R MISHRA & CO.
Chartered Accountants

FOR AND ON BEHALF OF BOARD

N R Mishra & Co. ★ Bhubaneswar ★ Chartered Accountants

Ranjan Kumar Sahoo, FCA,DISA
Partner
Membership No. 057106
FRN:319137E
Place : Bhuabaneswar.
Date : May 20, 2019

SURYA KANTA MISHRA
DIRECTOR

AMIT SENGUPTA
DIRECTOR

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019

Amount in Rupees

PARTICULARS	For the Year Ended on 31st March, 2019	For The Year Ended on 31st March, 2018
Cash flow generated/(used in) operating activities		
Net Loss Before Tax	(22,598.00)	(23,182.60)
Operating Profit before Working Capital Changes	(22,598.00)	(23,182.60)
Adjustment for changes in Working Capital		
Change in Trade payables	16,815.00	(28,136.00)
Increase in Non-Current Liabilities	5,252.00	50,615.00
Net Cash Generated From Operating Activity	(531.00)	(703.60)
Cash flows Used in Investing Activities	-	-
Net Cash Used from Investing Activities	-	-
Cash flows Used in Financing Activities		-
Net Cash Used from Financing Activities	-	-
Net Increase /(Decrease) in Cash and Cash Equivalents	(531.00)	(703.60)
Cash and Cash equivalents at beginning of Period	39,977.40	40,681.00
Cash and Cash equivalents at end of the Period	39,446.40	39,977.40

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED
Cash Flow Statement for the Year Ended 31, Mar 2019

Cash and Cash Equivalent Comprise :

Amount in Rupees

	As at 31st March, 2019	As at 31st March, 2018
Cash in hand	-	-
Balance With Bank in Current account	39,446.40	39,977.40
	39,446.40	39,977.40

This accompanying notes are Integral Part of these financial Statement

This is the Cash Flow Statement referred to in our Report of Even Date

For N R MISHRA & CO.
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

Ranjan Kumar Sahoo, FCA,DISA
Partner
Membership No. 057106
FRN:319137E
Place : Bhuabaneswar.
Date : May 20, 2019

FOR AND ON BEHALF OF BOARD

SURYA KANTA MISHRA
DIRECTOR

AMIT SENGUPTA
DIRECTOR

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

Statement Of Changes in Equity for the Year Ended Mar 31, 2019

A. Equity Share Capital

Amount in Rupees

Balance as at April 01, 2017	100,000.00
Changes in the Equity share Capital during the Period on account of Share Issued	-
Balance as at March 31, 2018	100,000.00
Changes in the Equity share Capital during the Period on account of Share Issued	-
Balance as at March 31, 2019	100,000.00

B. Other Equity

Amount in Rupees

Particulars	Retain Earning
Balance as at April 01, 2017	(271,520.00)
A) Loss for the Period	(23,182.60)
B) Other Comprehensive Income for the Period	-
Total Comprehensive Income for the Period (A+B)	(23,182.60)
Balance as at March 31, 2018	(294,702.60)
A) Loss for the Period	(22,598.00)
B) Other Comprehensive Income for the Period	-
Total Comprehensive Income for the Period (A+B)	(22,598.00)
Balance as at March 31, 2019	(317,300.60)

For N R MISHRA & CO.
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

Ranjan Kumar Sahoo, FCA,DISA
Partner
Membership No. 057106
FRN:319137E
Place : Bhuabaneswar.
Date : May 20, 2019

FOR AND ON BEHALF OF BOARD

SURYA KANTA MISHRA
DIRECTOR

AMIT SENGUPTA
DIRECTOR

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

Notes Annexed to and forming part of Balance sheet as at 31-Mar-2019, and Statement of Profit and Loss for

1. Significant Accounting Policies

1.1 Basis Of Preparation

The financial statements of East Coast Bauxite Mining Company Private Limited ("the Company") comply in all material aspects with Indian Accounting Standards ("Ind-AS") as prescribed under section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules 2016 and other accounting principles generally accepted in India. The financial statements for the year ended March 31, 2019 have been approved by the

The financial statements have been prepared under the historical cost convention on accrual basis except for financial instruments, which have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All the financial assets and financial liabilities are measured at Amortized Cost. Further, no financial assets or liabilities are offsetted as there is no enforceable master netting arrangement for these financial

Accounting Policies relevant to East Coast Bauxite Mining Company Private Limited are given below.

1.2 Provision and Contingencies

and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation . The Amount recognized as a provision is the best estimate of the consideration required to settle to present obligation at the balance sheet date, taking into account the risk and uncertainties surrounding the obligation . Where a provision is measured using the estimated cash flow to settle the present obligation. Its carrying amount is the present value of those cash flows. The discount rate used is a pre tax rate that reflects current market assessments of the time value of Money in that jurisdiction and the risks specific to the liability.

1.3 Cash and Cash Equivalents

Cash and cash equivalents comprises cash at Bank and in hand and short term deposits with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value .For the purpose of the Cash Flow Statement cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the Balance Sheet bank overdrafts are shown within borrowings in

N R Mishra & Co. Bhubaneswar Chartered Accountants

EAST COAST BAUXITE MINING COMPANY PRIVATE LIMITED

2 Intangible assets under development	As at Mar, 31 2019	As at Mar, 31 2018
Exploration and evaluation	26,000.00	26,000.00
Development Work-in-progress – Mining Rights		
	26,000.00	26,000.00

The Company has been incorporated in compliance with a Joint Venture Agreement dated 25th October, 2005 between the promoters, OMC Ltd and HINDALCO Industries Limited. In terms of that agreement, 26% of the issued and paid-up capital of the Company was to be allotted to OMC (the promoter) for services rendered, without any money as consideration to be received from OMC for the value of shares. Therefore the allotment of minimum 26% of the paid-up capital is allotted to OMC and the corresponding amount has been considered as an Intangible Asset under development in the books of the Company being in the nature of Exclusive Rights of Mining. The said Intangible Asset under Development has not been subjected to amortization in the current year.

3 Cash and Cash Equivalent	As at Mar, 31 2019	As at Mar, 31 2018
Cash in hand	-	-
Balance With Bank in Current account	39,446.40	39,977.40
	39,446.40	39,977.40

There is no cash in hand in the company and hence there were no balances and transactions of Specified Bank Notes (SBN) during the period 08-11-2016 to 30-12-2016.

4 Equity Share Capital	As at Mar, 31 2019	As at Mar, 31 2018
Authorized Share capital 50000 Equity Shares of Rs. 10/- each	500,000.00	500,000.00
Issued Subscribed and Paid-up: 10000 Equity Shares of Rs. 10/- each	100,000.00	100,000.00

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Number of Shares	
	As at March 31, 2019	As at March 31, 2018
Hindalco Industries Limited	7400	7400
OMC Limited	2600	2600

Details of Shareholders holding more than 5% Equity Shares in the Company on Reporting Date

Name of the shareholder	Numbers of shares	Percentage of shareholding
Hindalco Industries Limited	7400	74%
OMC Limited	2600	26%

5 Other Equity Retain Earning	As at 31-Mar- 2019	As at 31-Mar- 2018
Balance at the Beginning of the year	(294,702.60)	(271,520.00)
Add-Loss for the Year	(22,598.00)	(23,182.60)
Balance at the Year End	(317,300.60)	(294,702.60)

The Retained Earnings / Surplus represents amount remaining with the Company after considering appropriations

6 Other Financial Liability	As at 31-Mar- 2019	As at 31-Mar- 2018
Amount refundable to Hindalco Industries Limited - Interest Free Loans	249,117.00	243,865.00

N R Mishra & Co. Bhubaneswar Chartered Accountants

7	**Trade and Other Payable**	As at 31-Mar- 2019	As at 31-Mar- 2018
	Accrued expenses	33,630.00	16,815.00

Amount in Rupees

		For The Year Ended 31-Mar-2019	For The Year Ended 31-Mar-2018
8	**Other Expense**		
	Audit fees	16,815.00	16,815.00
	Bank Charges	531.00	703.60
	Legal and professional fees	5,252.00	5,664.00
		22,598.00	23,182.60

* Audit Fees for Statutory Audit

Amount in Rupees

		For The Year Ended 31-Mar-2019	For The Year Ended 31-Mar-2018
	Earnings per share		
9	Loss After Tax as per the Statement of Profit & Loss (A)	(22,598.00)	(23,182.60)
	Weighted Average Number of Equity Shares Outstanding (B)	10000	10000
	Loss Per Share (Basic & Diluted) (In Rupees) (A/B)	(2.26)	(2.32)
	Nominal Value of Equity shares (In Rupees)	10.00	10.00

10 The company has prepared its financial statements for the period upto and including for the year ended Mar 31, 2016 in accordance with accounting standards notified under section 133 of the companies Act 2013 (Indian GAAP). The financial Statements as at and for the year ended Mar 31, 2017 together with the comparative periods presented are prepared in accordance with Indian Accounting Standards specified in the companies (Indian Accounting Standard) Rules, 2015 Under section 133 of the Act and other Accounting Policies Generally Accepted in India. In Preparing these financial Statements the company's opening balance sheet was prepared as at April01,2015. i.e. the company's date of transition to Ind AS.

11 The Company has not incurred any liability in respect of any Micro, Small and Medium Enterprises.

12 **Related Party Disclosure:**
The Company is a Joint Venture of M/s HINDALCO LTD and Orissa Mining Corporation Ltd having a shareholding of 74% and 26% respectively. The Directors of the Company have been nominated by the companies respectively in the ratio of 4:2 to the Board of Directors of the Company.
The Board is constituted as below:

Mr. Surya Kanta Mishra	Nominee HINDALCO
Mr. Amit Sengupta	Nominee HINDALCO
Mr. Rabindra Misra	Nominee HINDALCO

None of the Directors have received any remuneration from the Company.

Disclosure of outstanding balances payable to or receivable from Related Parties at year end:

	As at 31-Mar- 2019	As at 31-Mar- 2018
Amount refundable to Hindalco Industries Limited	249,117.00	243,865.00
Total	249,117.00	243,865.00

For N R MISHRA & CO.
Chartered Accountants

N R Mishra & Co. Bhubaneswar Chartered Accountants

Ranjan Kumar Sahoo, FCA,DISA
Partner
Membership No. 057106
FRN:319137E
Place : Bhuabaneswar.
Date : May 20, 2019

FOR AND ON BEHALF OF BOARD

SURYA KANTA MISHRA
DIRECTOR

AMIT SENGUPTA
DIRECTOR

Singhi & Co.
Chartered Accountants

161, SARAT BOSE ROAD, KOLKATA-700 026, (INDIA)
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INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Tubed Coal Mines Ltd.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/s. Tubed Coal Mines Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2019, 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 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, 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 standalone financial statements 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 standalone financial statements.

Emphasis of Matters

We draw attention to the following matters:-

The Supreme Court vide its judgment dated 25th August 2014 read with its Order dated 24th September 2014 had de-allocated 204 coal block including the coal block allotted to the Company and has issued necessary direction to Central Government with regard to these coal blocks. Since the Company has been incorporated by the co promoters to share the coal block allotted to them jointly and in view of the Supreme Court Judgement as mentioned above relating to de-allocation of coal block allotted to the promoters, the going concern concept has been vitiated and accordingly provision have been made in the statement of profit and loss so as to bring down the assets and liabilities to their recoverable / payable value based on the estimate made by the Management. Refer Note No. 1A to the financial statement.

Our report is not modified on this matter.

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

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

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

SINGHI & CO. ★ Chartered Accountants ★

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards () 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
The management has not prepared the financial statement on going concern basis for the reasons explained in Note 1A to the financial statement.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- As explained, the going concern has been vitiated and financial statement has been prepared accordingly, our responsibility for appropriateness of management's estimate for use of the going concern basis of accounting is not required.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 A" 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 standalone 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) The matter described in 'Emphasis of Matter' paragraph above, in our opinion, is having an adverse effect on the functioning of the Company;
   (f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
   (h) The company has not paid any managerial remuneration during the year ended March 31, 2019; and
   (i) 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 as on 31st March 2019;
      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SINGHI & CO.
Chartered Accountants
Firm Registration No.302049E

SINGHI & CO. Chartered Accountants

(Navindra Kumar Surana)
Partner
Membership No.053816

Place: Kolkata

Annexure 'A' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Tubed Coal Mines Ltd. (the Company)

I. All the fixed assets of the Company have been classified under the head current assets since the going concern concept has vitiated, accordingly paragraph 3 (I) of the Order is not applicable.

II. The Company has not yet commenced its commercial operation and accordingly does not have any inventory. Hence, paragraph 3(II) of the order is not applicable.

III. The Company has not granted any loans, secured or unsecured to companies, firms Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(III) of the Order is not applicable

IV. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investment during the year. Accordingly, paragraph 3(IV) of the Order is not applicable

V. The Company has not accepted any deposit from the public.

VI. The Company is not required to maintain Cost Records as prescribed by the Central Government under section 148 (1) (d) of the Companies Act, 2013.

VII. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company does not have any undisputed statutory dues related to Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and GST as on 31st March 2019. However, the Company is generally regular in depositing Income tax during the year with the appropriate authority. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2019 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, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and GST which have not been deposited on account of any dispute as on 31st March 2019.

VIII. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year. Accordingly, paragraph 3(VIII) of the Order is not applicable.

IX. The company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans during the year and accordingly the paragraph 3 (IX) of the order is not applicable.

X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

XI. The Company did not have any whole time director or manager during the financial year. Accordingly, paragraph 3 (XI) of the Order is not applicable.

XII. The company is not a Nidhi Company. Accordingly, paragraph 3 (XII) of the Order is not applicable.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

SINGHI & CO. Chartered Accountants

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.

XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(XV) of the Order is not applicable.

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

For SINGHI & CO.
Chartered Accountants
Firm Registration No.302049E

SINGHI & CO. ★ Chartered Accountants ★

(Navindra Kumar Surana)
Partner
Membership No.053816

Place: Kolkata
Date: 22nd April 2019

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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 with reference to the financial statements of **TUBED COAL MINES LIMITED** ("the Company") as of 31st March 2019 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 the 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 system over financial reporting with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the financial statements included obtaining an understanding of internal financial controls over financial reporting, with reference to the 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 judgment, 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.

SINGHI & CO. Chartered Accountants

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 with reference to the 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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to the financial statements 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 with reference to the financial statements and such internal financial controls over financial reporting with reference to the financial statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SINGHI & CO.
Chartered Accountants
Firm's Registration No. 302049E

SINGHI & CO. Chartered Accountants

(Navindra Kumar Surana)
Partner
Membership No. 053816

Place: Kolkata
Date : 22nd April 2019

TUBED COAL MINES LIMITED

Balance Sheet as at 31st March, 2019

(Amount in Rs.)

	Note No.	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets		-	-
		-	-
Current Assets			
Financial Assets			
Cash and Cash Equivalents	2'	1,56,96,346	1,81,72,263
Loans	3'	4,000	4,000
Other financial assets- current	4'	18,07,433	17,84,986
Current Tax Asset (Net)	5'	3,26,556	-
Other current assets	6'	1,25,42,353	1,25,42,353
		3,03,76,688	3,25,03,602
		3,03,76,688	**3,25,03,602**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7'	25,49,45,000	25,49,45,000
Other Equity	8'	(22,49,34,041)	(22,44,15,275)
Total Equity		3,00,10,959	3,05,29,725
Current Liabilities			
Financial Liabilities			
Trade Payables	9'	1,77,548	2,44,105
Provisions	10'	1,71,781	1,60,623
Other Current Liabilities	11'	16,400	15,07,117
Current Tax Liabilities (Net)	12'	-	62,032
		3,65,729	19,73,877
		3,03,76,688	**3,25,03,602**

Significant Accounting Policies '1'

The Accompanying Notes are an integral part of the Financial Statements.

As per our Report annexed.
For SINGHI & CO.
Chartered Accountants
Firm registration No: 302049E

For and on behalf of the Board

SINGHI & CO. Chartered Accountants

Navindra Kumar Surana
Partner
Membership No: 053816
Place: Kolkata
Date: 22 April, 2019

Ashok Machher
Director
DIN:02797592

Anil Malik
Director
DIN: 00170411

TUBED COAL MINES LIMITED

Statement of Profit and Loss for the year ended 31st March 2019

(Amount in Rs.)

	Note No.	Year Ended 31/03/2019	Year Ended 31/03/2018
REVENUES			
Other Income	13'	10,23,915	86,40,547
Total income		10,23,915	86,40,547
EXPENSES			
Employee Benefit Expenses	14'	8,69,402	8,73,558
Finance Costs	15'	-	-
Other Expenses	16'	4,07,061	7,95,592
Total Expenses		12,76,463	16,69,150
Profit/ (Loss) before tax		(2,52,548)	69,71,397
Tax Expense:			
Current tax	17'	2,66,218	22,39,062
Profit/ (Loss) for the year		**(5,18,766)**	**47,32,335**
Other Comprehensive Income:			
Items that will not be reclassified to Profit and Loss (Net of Tax)		-	-
Items that will be reclassified to Profit and Loss (Net of Tax)		-	-
Other Comprehensive Income (Net of Tax)		-	-
Total Comprehensive Income		**(5,18,766)**	**47,32,335**
Earnings per Share (EPS) (Face value of Rs 10 each)			
Basic & Diluted EPS (Rs)	18'	(0.02)	0.12
Significant Accounting Policies	'1'		

The Accompanying Notes are an integral part of the Financial Statements.

As per our report annexed.
For SINGHI & CO.
Chartered Accountants
Firm registration No: 302049E

SINGHI & CO. Chartered Accountants

Navindra Kumar Surana
Partner
Membership No: 053816
Place: Kolkata
Date: 22 April, 2019

For and on behalf of the Board

Ashok Machher
Director
DIN: 02797592

Anil Malik
Director
DIN: 00170411

TUBED COAL MINES LIMITED

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

A. Equity Share Capital	**No. of Shares (Nos.)**	**Amount (Rs.)**
As at 01/04/2017	4,54,94,500	45,49,45,000
Reduction during the year	(2,00,00,000)	(20,00,00,000)
As at 31/03/2018	2,54,94,500	25,49,45,000
Issued during the year	-	-
As at 31/03/2019	2,54,94,500	25,49,45,000

B. Other Equity	**Retained Earnings Amount (Rs.)**
As at 01/04/2017	22,91,47,610
(Profit) /Loss for the year	(47,32,335)
As at 31/03/2018	22,44,15,275
(Profit) /Loss for the year	5,18,766
As at 31/03/2019	22,49,34,041

The accompanying Notes are an integral part of the Financial Statements.

As per our Report annexed.
For SINGHI & CO.
Chartered Accountants
Firm registration No: 302049E

Navindra Kumar Surana
Partner
Membership No: 053816
Place: Kolkata
Date: 22 April, 2019

SINGHI & CO. Chartered Accountants

For and on behalf of the Board

Ashok Machher
Director
DIN: 02797592

Anil Malik
Director
DIN: 00170411

TUBED COAL MINES LTD.

Cash Flow Statement for the Period ended 31st March 2019

	Year Ended 31/03/2019 (Rs.)	Year Ended 31/03/2018 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	(2,52,548)	69,71,397
Interest Income	(10,23,915)	(85,05,399)
Sundry balances Written Back	-	(1,35,148)
Operating profit before working capital changes	(12,76,463)	(16,69,150)
Changes in working Capital:		
Change in Trade and other Receivables	-	-
Change in Trade and other Payables	(15,46,117)	(17,979)
Direct Taxes Paid	(6,54,806)	(23,83,373)
Net Cash Generated/ (Used) - Operating Activities	(34,77,386)	(40,70,502)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Amount realised against recoverable project expenses	-	7,92,94,076
Loans & Advances Given	-	(20,00,00,000)
Refund of Loans & Advances Given	-	20,00,00,000
Interest Received	10,01,469	1,00,14,000
Net Cash Generated/ (Used) - Investing Activities	10,01,469	8,93,08,076
C. CASH FLOW FROM FINANCING ACTIVITIES		
Reduction of Equity Share Capital	-	(20,00,00,000)
Interest Paid	-	(1,22,200)
Net Cash Generated/ (Used) - Financing Activities	-	(20,01,22,200)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(24,75,917)	(11,48,84,626)
Add : Opening Cash and Cash Equivalents	1,81,72,263	13,30,56,889
Closing Cash and Cash Equivalents	**1,56,96,346**	**1,81,72,263**
Cash and cash equivalents comprise of:		
Cash in hand	38	38
Bank balances		
In current/checkin accounts	2,65,847	19,96,791
Demand deposits (less than 3 months maturity)	1,54,30,461	1,61,75,434
Cash and cash equivalents at the end of the year	**1,56,96,346**	**1,81,72,263**

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard-7 (Ind AS 7) "Statement of Cash Flow".
2. Figures have been regrouped/ rearranged wherever necessary.

The Accompanying Notes are an integral part of the Financial Statements.

As per our Report annexed.
For SINGHI & CO.
Chartered Accountants
Firm registration No: 302049E

For and on behalf of the Board

SINGHI & CO. Chartered Accountants

Navindra Kumar Surana
Partner
Membership No: 053816

Ashok Machher
Director
DIN: 02797592

Anil Malik
Director
DIN: 00170411

TUBED COAL MINES LIMITED
Notes forming part of the Financial Statements

Company Information - The Tubed Coal Mines Limited (the Company) has been formed for mining of coal from Tubed Coal Block which was jointly awarded to The Tata Power Company Ltd. and M/s. Hindalco Industries Limited by Government of India, Ministry of Coal vide their letter dated 29th May, 2007 for production of coal for their proposed power plants. The Company is incorporated under the Companies Act , 1956 with the Registrar of Companies, Mumbai in the state of Maharashta and having registered office at Ahura Centre, Mahakali Caves Road, Mumbai- 400093. The shares of the Company are unlisted.

1 Significant Accounting Policies

A. Basis of Preparation

The Supreme Court of India, vide Judgment dated 25th August 2014 read with its Order dated 24th September 2014, has cancelled allocation of 204 coal blocks including Tubed Coal Block, earlier allotted to the Company, and has issued necessary directions to Central Government with regard to these coal blocks. In view of the said judgment, the going concern concept has been vitiated and accordingly, necessary provisions have been made in the financial statements to bring down the assets and liabilities to their realizable value. Further, the financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013 ("the Act"), as notified under the Companies (Indian Accounting Standards) Rules, 2015 and, other relevant provision of the Act to the extent applicable.

As explained above, since the going concern concept has been vitiated, the financial statement has been prepared based on the Indian Accounting Standard (Ind AS) to the extent applicable including the disclosure requirement as mentioned therein and accounting policy as mentioned below:

The financial statements have been prepared on accrual basis and presented in Indian Rupees (Rs.) which is the Functional Currency of the Copmany.

The financial statements for the year ended 31st March 2019 have been approved by the Board of Directors on 22-04-19.

B. Employee Benefits

Employee benefits of short term nature are recognized as expense as and when these accrue. Long term employee benefits and post employment benefits, whether funded or otherwise, are recognized as expense based on actuarial valuation at year end using the projected unit credit method. For discounting purpose, market yield of Government Bonds, at the balance sheet date, is used. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

C. Revenue Recognition

The Company does not have any income except interest income and profit on sale of assets. Income is recognized on accrual basis.

D. Taxation

Provision for current income tax is made in accordance with the Income tax Act, 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

E. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value. For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts.

F. Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

G. Critical Estimates and Judgements

The application of accounting policies requires management to make estimates and judgments in determining certain revenues, expenses, assets, and liabilities. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

TUBED COAL MINES LIMITED
Notes to Financial Statements for the year ended 31st March, 2019

	As at 31/03/2019	As at 31/03/2018
2 Cash and Cash Equivalents		
Balance with Banks:		
Deposits with initial maturity less than 3 months	1,54,30,461	1,61,75,434
Current Accounts	2,65,847	19,96,791
Cash on hand	38	38
	1,56,96,346	**1,81,72,263**
3 Short-term Loans and Advances:		
Security Deposits (Unsecured, Considered Good)	4,000	4,000
	4,000	**4,000**

Additional information (Ind AS 107.7)	**Security deposits**	**Others**
Weighted average interest rate	-	-
Maturity period range	On Demand	-
Details of amounts past due, if any	-	-
Nature of security	Telephone deposit	-

	As at 31/03/2019	As at 31/03/2018
4 Other financial assets- current:		
Interest accrued:		
On Advance to Related Party	8,10,411	8,10,411
On Deposits	9,97,022	9,74,575
	18,07,433	**17,84,986**
5 Current Tax Asset		
Receivable from Income Tax Authorities	3,26,556	-
	3,26,556	**-**
6 Other current assets :		
Recoverable amount related to de-allocated Coal Block:	1,25,42,353	1,25,42,353
	1,25,42,353	**1,25,42,353**

SINGHI & CO. ★ Chartered Accountants ★

TUBED COAL MINES LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

7 Share Capital:

Authorized, Issued, Subscribed and Paid-up Share Capital

	As at	
	31/03/2019	**31/03/2018**
Authorized:		
6,00,00,000 (As at Mar 31, 2018: 6,00,00,000) Equity shares of Rs.10/- each.	60,00,00,000	60,00,00,000
	60,00,00,000	**60,00,00,000**
Issued:		
25,494,500 (As at Mar 31, 2018: 25,494,500) Equity Shares of Rs.10/- each.	25,49,45,000	25,49,45,000
	25,49,45,000	**25,49,45,000**
Subscribed and Paid-up:		
25,494,500 (As at Mar 31, 2018: 25,494,500) Equity Shares of Rs.10/- each.	25,49,45,000	25,49,45,000
	25,49,45,000	**25,49,45,000**

Reconciliation of Shares outstanding at the beginning and at the end of the reporting period.

	As at	
	31/03/2019	**31/03/2018**
Reconciliation of Share Capital (Numbers of Shares)		
Opening Balance	2,54,94,500	4,54,94,500
Less: Reduction during the year (refer note below)	-	(2,00,00,000)
Closing Balance	**2,54,94,500**	**2,54,94,500**
Reconciliation of Share Capital (Amount Rs.)		
Opening Balance	25,49,45,000	45,49,45,000
Less: Reduction during the year (refer note below)	-	(20,00,00,000)
Closing Balance	**25,49,45,000**	**25,49,45,000**

Note: As per the scheme appproved by National Company Law tribunal vide its order dated 4th October 2017 u/s. 66 of the Companies Act 2013, the Share Capital of the Company has been reduced from 4,54,94,500 no. of shares to 2,54,94,500 no. of shares by making refund of Rs.10 per share agreegating to Rs. 20 crores.

A) 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 share holder of equity share is entitled to one vote per share.

The equity shares issued during the year shall rank pari passu in all respect with the existing equity shares of the company.

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

SINGHI & CO. Chartered Accountants

TUBED COAL MINES LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

B) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	[redacted]	Percentage of Holding	[redacted]	Percentage of Holding	[redacted]
Hindalco Industries Limited	1,52,96,700	60%	1,52,96,700	60%	
Tata Power Company Ltd.	1,01,97,800	40%	1,01,97,800	40%	

Details of shareholders holding more than 5 % shares in the company

Equity Shares of Rs. 10 each fully paid.	As at 31/03/2019	As at 31/03/2018
Hindalco Industries Limited, (% of holding - Current and Previous Year - 60 %)	1,52,96,700	1,52,96,700
The Tata Power Company Ltd.(% of holding - Current and Previous year - 40 %)	1,01,97,800	1,01,97,800
	2,54,94,500	**2,54,94,500**

C) The Company has not issued any bonus shares during the immediately preceeding 5 years

D) The Company has not allotted any shares pursuant to contracts without payment received in cash.

E) The Company has not bought back any shares during the immediately preceeding 5 years, however, the Company has made the capital reduction during the previous year as mentioned in clause (a) above.

8 Other Equity

	As at **31/03/2019**	As at **31/03/2018**
Surplus / (deficit) as per Statement of Profit & Loss	(22,49,34,041)	22,44,15,275
	(22,49,34,041)	**(22,44,15,275)**

For the period ended 31/03/2019 additions and deductions under each head since last balance sheet are as under:

	As at 31/03/2019	**As at 31/03/2018**
Retained Earnings:		
Opening Balance	22,44,15,275	22,91,47,610
(Profit)/Loss for the year	5,18,766	(47,32,335)
Closing Balance	**22,49,34,041**	**22,44,15,275**

	As at 31/03/2019	**As at 31/03/2018**
9 Short-term trade payables:		
Liability for Expenses	1,07,204	1,63,574
Salary & Other Emoluments	70,344	80,531
	1,77,548	**2,44,105**

SINGHI & CO. Chartered Accountants

10 Short-term Provisions:

TUBED COAL MINES LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

Provision for Gratuity	93,159	72,582
Provision for Leave Salary	78,622	88,041
	1,71,781	**1,60,623**

11 Other Current Liabilities		
Advance Against Assets	-	14,71,507
Statutory dues Payables	16,400	35,610
	16,400	**15,07,117**

12 Current Tax Liabilities (Net)		
Current Tax Liability (Net)	-	62,032
	-	**62,032**

	Year Ended	
	31/03/2019	**31/03/2018**
13 Other Income:		
Interest Income		
On Fixed Deposits	10,23,915	12,19,647
On Advances	-	72,85,752
Sundry balances Written Back	-	1,35,148
	10,23,915	**86,40,547**
14 Employee Benefit Expenses:		
Salary & Wages	8,69,402	8,73,558
Contribution to Mining Provident Funds & other fund	-	-
	8,69,402	**8,73,558**
15 Finance Costs:		
Interest Expenses on Taxes	-	-
	-	-

SINGHI & CO. Chartered Accountants

TUBED COAL MINES LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

16 Other Expenses:

Bank Charges	1,314	1,419
Filing Fees	31,924	14,183
Certification Fees	-	29,200
Auditor remuneration and other Fees	1,18,000	1,72,750
Repair & Maintainance	-	23,130
Miscellaneous Expenses	4,380	-
Balance Writen off	1,05,286	-
Professional Tax	-	2,500
Professional Fees	5,900	1,88,250
Office Expenses	1,16,098	2,63,689
Telephone Expenses	15,832	21,453
Travelling Expenses	8,327	79,018
	4,07,061	**7,95,592**

(a) Details of Auditors' Remuneration are as follows:

Statutory Auditors:		
Audit Fees	1,18,000	1,71,100
Other Services	-	1,650
	1,18,000	1,72,750

17 Tax Expenses:

For Current Year	2,66,218	22,24,941
For earlier Years	-	14,121
	2,66,218	**22,39,062**

	31-Mar-19	**31-Mar-18**
18 Earning per Share (EPS):		
Profit / (Loss) after Tax as per the Profit & Loss Account for the year (` Rs)	(5,18,766)	47,32,335
Weighted average number of Equity shares outstanding during the year		
- No. of shares for Basic EPS	2,54,94,500	3,85,35,596
- No. of shares for Diluted EPS	2,54,94,500	3,85,35,596
Face value of per share (` Rs)	10	10
Basic & Diluted EPS (` Rs)	(0.02)	0.12

19 Operating Lease:

The Company has not entered into any non-cancellable lease.

SINGHI & CO. Chartered Accountants

TUBED COAL MINES LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

20 Related Party Disclosures:

A. List of Related Parties:

Name	Relationship
Hindalco Industries Limited	Holding company
Tata Power Company Ltd.	Joint Venture Partner

B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

(a).Transactions for year ended:

Transactions	Related Party	31-Mar-19	31-Mar-18
Reimbursement of Expenses	Hindalco Industries Ltd.	6,800	7,383
Loans and Advances Given	Hindalco Industries Ltd.	-	12,00,00,000
	Tata Power Company Ltd.	-	8,00,00,000
Refund of Loans and Advances Given	Hindalco Industries Ltd.	-	12,00,00,000
	Tata Power Company Ltd.	-	8,00,00,000
Refund of Loans and Advances Received	Hindalco Industries Ltd.	14,71,507	-
	Tata Power Company Ltd.	-	-
Reduction of Equity Share Capital	Hindalco Industries Ltd.	-	12,00,00,000
	Tata Power Company Ltd.	-	8,00,00,000

(b). Outstanding balances as at: (Amount in Rs.)

		31-Mar-19	31-Mar-18
Liability for Expenses	Hindalco Industries Ltd.	2,424	9,224
Advances	Hindalco Industries Ltd.	-	14,71,507
Accrued Interest	Tata Power Company Ltd.	8,10,411	8,10,411

21 As the going concern concept has been vitiated there is no temporary differences and deductible differences on which deferred tax is required to be recognised.

22 There are no Micro and Small Enterprise to whom the Company owes dues, which are outstanding as on 31st March, 2019. This information as required under the Micro, Small and Medium Enterprise Development Act 2006 has been determined on the basis of information available with the Company.

23 The disclosure and information which are applicable to the company have been disclose above

The Accompanying Notes are an integral part of the Financial Statements.

As per our Report annexed.
For SINGHI & CO.
Chartered Accountants
Firm registration No: 302049E

Navindra Kumar Surana
Partner
Membership No: 053816
Place: Kolkata
Date: 22 April, 2019

SINGHI & CO. Chartered Accountants

For and on behalf of the Board

Ashok Machher
Director
DIN: 02797592

Anil Malik
Director
DIN: 00170411

A V MINERALS (NETHERLANDS) N.V.

Fit-for-Consolidation Balance Sheet as at March 31, 2019

(₹ in Million)

	Note No.	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets			
Financial Assets:			
Investments in Subsidiaries	'3'	1,10,028.91	1,06,530.08
Long-term Loans	'4'	0.11	0.10
Total Non-Current Assets		1,10,029.02	1,06,530.18
Current Assets			
Financial Assets:			
Cash and Cash Equivalents	'5'	1.10	4.42
Loans	'6'	0.13	0.12
Total Current Assets		1.23	4.54
TOTAL ASSETS		1,10,030.25	1,06,534.72
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	'7'	1,20,291.70	1,11,674.63
Other Equity	'8'	(10,262.28)	(5,139.91)
TOTAL EQUITY		1,10,029.42	1,06,534.72
LIABILITIES			
Current Liabilities			
Financial Liabilities:			
Borrowings	'9'	-	-
Trade Payables	'10'	0.83	-
Total Current Liabilities		0.83	-
TOTAL LIABILITIES		0.83	-
TOTAL EQUITY AND LIABILITIES		1,10,030.25	1,06,534.72
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Fit-for-Consolidation Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

Anil Mathew
Director
Place: Mumbai
Date:

ANIL MALIK
DIRECTOR

A V MINERALS (NETHERLANDS) N.V.

Fit-for-Consolidation Statement of Profit and Loss for the Year ended March 31, 2019

(₹ in Million)

	Note No.	Year ended 31/03/2019	Year ended 31/03/2018
EXPENSES			
Finance Costs	'11'	0.09	0.02
Impairment Loss/(Reversal)(Net)	'12'	4,842.18	2,813.00
Other Expenses	'13'	7.87	6.98
Total Expenses		4,850.14	2,820.00
Profit/ (Loss) for the period		(4,850.14)	(2,820.00)
Other Comprehensive Income/(Loss):			
Foreign Currency Translation Reserve	'14'	6,691.23	411.78
Other Comprehensive Income/ (Loss) (Net of Tax)		6,691.23	411.78
Total Comprehensive Income/ (Loss) for the year		1,841.09	(2,408.22)
Profit/ (Loss) for the year attributable to:			
Owners of the Company		(4,850.14)	(2,820.00)
Other Comprehensive Income/ (Loss) for the year attributable to:			
Owners of the Company		6,691.23	411.78
Total Comprehensive Income/ (Loss) for the year attributable to:			
Owners of the Company		1,841.09	(2,408.22)
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board of Directors

Anil Mathew
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V MINERALS (NETHERLANDS) N.V.

Fit-for-Consolidation Statement of Changes in Equity for the Year ended March 31, 2019

(₹ In Million)

	Note No.	Share Application pending allotment	Other Equity	Exchange differences on translating the financial statements of a foreign operation	Equity Share Capital	Retained Earnings	Total
Balance as at April 01, 2017	'8'	-	-	(88.86)	1,09,304.47	(2,193.50)	1,07,022.11
Profit/ (Loss) for the year			-	-	-	(2,820.00)	(2,820.00)
Other Comprehensive Income/ (Loss) for the period	'14'	-	-	411.78	-	-	411.78
Total Comprehensive Income/ (Loss) for the period		-	-	411.78	-	(2,820.00)	(2,408.22)
Foreign currency translation of other Equity		-	-	(449.33)	449.33	-	-
Proceeds from shares issued	'7'	-	-	-	1,920.83	-	1,920.83
Balance as at March 31, 2018	'8'	-	-	(126.41)	1,11,674.63	(5,013.50)	1,06,534.72
Profit/ (Loss) for the year						(4,850.14)	(4,850.14)
Other Comprehensive Income/ (Loss) for the period	'15'	-	-	6,691.23	-	-	6,691.23
Total Comprehensive Income/ (Loss) for the period		-	-	6,691.23	-	(4,850.14)	1,841.09
Foreign currency translation of other Equity		-	-	(6,963.50)	6,963.50	-	
Proceeds from shares issued	'7'	-	0.04	-	1,653.57	-	1,653.61
Balance as at March 31, 2019	'8'	-	0.04	(398.68)	1,20,291.70	(9,863.64)	1,10,029.42

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Change in Equity.

This is the Statement of Change in Equity referred to in our report of even date

For and on behalf of the Board of Directors

Anil Mathew
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V MINERALS (NETHERLANDS) N.V.

Fit-for-Consolidation Cash Flow Statement for the Year ended March 31, 2019

(₹ in Million)

	Note No.	Year ended 31/03/2019	Year ended 31/03/2018
A. Cash flow from/ (used in) operating activities			
Profit/ (Loss) before Tax:			
Adjustment for :			
Finance Costs			
Impairment Loss/(Reversal)(Net)		(4,850.14)	(2,820.00)
Operating profit before working capital changes			
Changes in working Capital:	'11'	0.09	0.02
Increase/ (Decrease) in Trade and Other Payables (Net)	'12'	4,842.18	2,813.00
Cash generation from Operation before Tax		(7.87)	(6.98)
(Payment)/ Refund of Income Tax (Net)			
Net Cash Generated/ (Used) - Operating Activities		0.83	-
		(7.04)	(6.98)
B. Cash flow from investment activities		-	-
Investment in Subsidiary (Hindalco do Brasil Industria E Comercio De Alumina Ltda)		(7.04)	(6.98)
Net Cash Generated/ (Used) - Investing Activities			
C. Cash flow from financing activities		(1,650.13)	(1,920.83)
Proceeds from Equity Share Capital		(1,650.13)	(1,920.83)
Share App. money pending allotment			
Finance Cost Paid			
Net Cash Generated/ (Used) - Financing Activities		1,653.61	1,920.83
Net Increase/ (Decrease) in Cash and Cash Equivalents			-
Opening Cash and Cash Equivalents		(0.09)	(0.02)
Effect of exchange rate changes on cash held in foreign currency		1,653.52	1,920.81
Closing Cash and Cash Equivalents		(3.65)	(7.00)
		4.42	11.45
		0.33	(0.03)
Reconciliation with balance sheet	'6'	1.10	4.42
Cash and cash equivalents at the end of the year			
Cash and cash equivalents as presented in balance sheet			
		1.10	4.42
Basis of Preparation and Significant Accounting Policies		1.10	4.42

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Cash Flows. '2'

This is the Statement of Cash Flows referred to in our report of even date

For and on behalf of the Board of Directors

Anil Mathew
Director
Place: Mumbai

Date:

ANIL MALIK
Director

A V MINERALS (NETHERLANDS) N.V.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

1. General Information

A V Minerals (Netherlands) N.V. (A V Minerals or the Company) was incorporated in Amsterdam, the Netherlands on April 18, 2007 as a private company with limited liability under the provisions of the Dutch Civil Code; and was converted into a public company on March 28, 2014. The Company is a wholly-owned subsidiary of Hindalco Industries Ltd. (Hindalco). A V Minerals was formed as a holding company for the direct investment in its wholly-owned subsidiary, A V Metals Inc. (A V Metals). A V Metals was incorporated in Ontario, Canada under the Canada Business Corporations Act (CBCA) on February 1, 2007 as a holding company for the direct investment in its wholly-owned subsidiary, A V Aluminum Inc. (A V Aluminum) Novelis Inc.

A V Aluminum was incorporated in Ontario, Canada under the CBCA. A V Aluminum was initially formed and incorporated as "6703534 Canada Limited" on January 16, 2007, and its name was changed to A V Aluminum Inc. on February 6, 2007. A V Aluminum was formed as a holding company for the direct investment in its wholly-owned operating subsidiary, Novelis Inc. and its subsidiaries (Novelis).

Novelis is a company incorporated in Ontario, Canada under the Canada Business Corporation Act on September 21, 2004. Novelis produces aluminum sheet and light gauge products for use in the packaging market, which includes beverage and food can and foil products, as well as for use in the automotive, transportation, electronics, architectural and industrial product markets. Novelis is also the world's largest recycler of aluminum and has recycling operations in many of its plants to recycle both postconsumer aluminum and post-industrial aluminum. As at 31 March, 2019, Novelis had manufacturing operations in ten countries on four continents: North America, South America, Asia and Europe; through 24 operating facilities, including recycling operations in thirteen of these plants.

Effective September 29, 2010, in connection with an internal restructuring transaction, pursuant to articles of amalgamation under the CBCA, Novelis was amalgamated with A V Aluminum, to form an amalgamated corporation named Novelis Inc., also a Canadian corporation.

As a result of the Amalgamation, Novelis and A V Aluminum continue Novelis' corporate existence, the amalgamated Novelis Inc. remains liable for all of Novelis and A V Aluminum's obligations and continues to own all of Novelis and A V Aluminum respective property. Since A V Aluminum was a holding company whose sole asset was the shares of the pre amalgamated Novelis, the business, management, board of directors and corporate governance procedures of Novelis Inc. following the Amalgamation are identical to those of Novelis immediately prior to the Amalgamation. Novelis Inc., like A V Aluminum, remains an indirect, wholly-owned subsidiary of Hindalco.

2. Basis of Preparation and Significant Accounting Policies:

I. Basis of Preparation

These Fit-for-Consolidation Financial Statements ('the FFC FS') relate to AV Minerals which is presented on a non-consolidated, stand-alone basis as a separate financial statements.

The FFC FS have been prepared in conformity with the Group Accounting Policies of Hindalco Industries Limited ('Hindalco'), which are in accordance with the recognition and measurement principles of Indian Accounting Standard notified under section 133 of the Companies Act 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] ('Ind AS') and other accounting principles generally accepted in India. The FFC FS have been prepared to facilitate Hindalco in preparation of its consolidated financial statements. The FFC FS does not include the disclosures as required under Ind AS in its entirety. The financial statements has been prepared on the historical cost basis.

The above accounting standards and interpretations are collectively referred to as Ind AS in the FFC FS.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

These FFC FS have been prepared in U.S. Dollars (USD), which is the functional currency of the Company. The same has been translated into Indian Rupees (Rs) to facilitate Hindalco in preparation of its consolidated financial statements (Refer Policy 2(II)(H)). There are no Fixed Assets, Inventories or Employees in the Company.

II. Summary of Significant Accounting Policies

A. Foreign Currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise.

B. Investments

A subsidiary is an investee controlled by the Company. Control exists when it has power over the entity, is exposed, or has right to variable returns from its involvement with the entity and has ability to affect those returns by using its power over entity.

Investments in subsidiaries is accounted for at cost less impairment losses, if any.

In accordance with Ind AS 27 "Separate Financial Statements", the Company has elected not to prepare consolidated financial statements as the Company is a wholly owned subsidiary of Hindalco Industries Limited, the ultimate holding company, incorporated in India, which prepares the consolidated financial statements.

C. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of investments in subsidiaries to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

D. Financial Instruments

Financial assets are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis.

Financial liabilities, such as borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Financial guarantee contracts

Financial guarantee contracts are initially measured by the issuer at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined by using expected credit loss model; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

E. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.
For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

F. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operate and generate taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

G. Provision

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Litigation

Provision is recognised once it has been established that the Company has a present obligation based on consideration of the information which becomes available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

H. Fit-for Consolidation Adjustments

For the purpose of the FFC FS, the Company's income and expense items are translated into Indian Rupees at average rates prevailing during the period. All assets, liabilities, equity and other reserves (except retained earnings) are translated into Indian Rupees at rates prevailing at the end of the period. All resulting exchange differences are accumulated in "Foreign Currency Translation Reserve", however, exchange differences arising on translating assets and liabilities are recognised through "Other Comprehensive Income" and exchange differences arising on re translating 'Equity share capital' item is recognised directly in Equity.

III. Critical accounting judgment and key sources of estimation uncertainty

In preparing the financial statements in conformity with the group accounting policies of Hindalco, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

A. Impairment of Investments

IndAS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include changes resulting from market and economic environment, including internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost.

In accordance with Ind-AS 36, if a loss in value is indicated, the recoverable amount is estimated as the higher of the Assets fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, currency rate movements, input cost prices, operating expenses and tax and legal environment. The Company uses internal business plans, expected market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter.

B. Taxes

The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

IV. Amendments to Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards during the year ended 31 March, 2019 which are effective from 01 April, 2019. The Company has assessed all these amendments and its impact on financial statement is explained below:

A. Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgment and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgment.

The Company is assessing its existing models and processes which it has developed to account for tax uncertainties against the specific guidance in appendix C to Ind AS 12 to consider the impact on income tax accounting in respect of its tax jurisdiction which is Netherlands.

B. Long-term Interests in Associates and Joint Ventures – Amendments to Ind AS 28, 'Investment in Associates and Joint Ventures'

The amendment clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 'Financial Instruments' before applying the loss allocation and impairment requirements in Ind AS 28. Since the Company do not have such long-term interests in its associates or joint ventures, the amendments will not have any impact on its financial statements.

C. Prepayment Features with Negative Compensation – Amendments to Ind AS 109, 'Financial Instruments'

The amendment made to Ind AS 109 enable entities to measure certain pre-payable financial assets (e.g. loans and debt securities which otherwise have to be measured as FVTPL) with negative compensation at amortised cost. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model. Since the Company do not have such financial instruments, the amendments will not have any impact on its financial statements.

D. Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. It confirms that entities must:

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

Since the Company does not have employees, this amendment will not have any impact on its financial statements.

E. Ind AS 103, 'Business Combinations'

The amendment clarifies that obtaining control of a business that is a joint operation, is a business combination achieved in stages. The acquirer should re-measure its previously held interest in the joint operation at fair value at the acquisition date.

These amendments will apply to future business combinations of the Company for which acquisition date is on or after 1 April 2019.

A V MINERALS (NETHERLANDS) N.V.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

F. **Ind AS 111, 'Joint Arrangements'**
The amendment clarifies that the party obtaining joint control of a business that is a joint operation should not re-measure its previously held interest in the joint operation.

These amendments will apply to future transactions of the Company in which it obtains joint control of a business on or after 1 April 2019.

G. **Ind AS 23, 'Borrowing Costs'**
The amendments clarifies that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
There is no specific borrowings outstanding at present. These amendments will apply to future transactions of specific borrowing of the Company on or after 1 April 2019.

H. **Ind AS 12, 'Income Taxes'**
The amendment clarifies that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

This amendment is not expected to have any material impact on the financial statements of the Company.

I. **Ind AS 116, Leases**
On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019
The new standard introduces a single model of lease accounting and eliminates the classification of leases as either finance leases or operating leases for a lessee as was required under Ind AS 17. Ind AS 116 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in its financial statement. Lessee will recognise depreciation of right of use assets and interest on lease liabilities in the statement of profit or loss. In the Cash Flow statement, operating cash flows will be higher as payment of the lease liability and related interest are to be classified within financing activities
Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and account for those two types of leases differently.
The effective date for adoption of Ind AS 116 is financial year beginning on or after April 1, 2019. The standard permits two possible methods of transition:
- Fully retrospective- Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Error
- Modified retrospective- Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company do not have leasing transactions and the amendments will not have any impact on its financial statements.

3. **Investments in Subsidiaries:**

(₹ in Million)

	Value - As at	
	31/03/2019	31/03/2018
Unquoted Investments, valued at cost		
Investment in Equity Instruments (Fully paid-up)		
AV Metals Inc. of Nil par value (refer Note 16)	1,08,447.26	1,02,067.55
Hindalco Do Brasil Industria E Comercio De Alumina Ltda (refer Note 16)	1,581.65	4,462.53
	1,10,028.91	1,06,530.08

A V MINERALS (NETHERLANDS) N.V.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

Aggregate cost of unquoted investments	1,17,841.28	1,09,371.58
Aggregate amount of impairment in value of investments	7,812.37	2,841.50

(b). The management at the end of each reporting period assess whether there is any indication that the investments may be impaired. When such indication exists, the management estimates the recoverable amount of those investments. The Hindalco do Brasil Industria E Comercio De Alumina Ltda (HDB) has incurred losses during current and previous years, hence management has determined the recoverable value of ₹ 1,581.62 million based on value in use. The Company has used 12.62% as discount rate for current estimate of value in use. Based on this management has recognised ₹ 4,970.87 million as additional impairment loss during this year.

During Previous year the recoverable value of investment in Hindalco do Brasil Industria E comercio De Alumina Ltda was determined as ₹ 4,462.53 million based on fair value less cost of disposal and as a result of this recognised impairment loss of ₹ 2,841.50 million. The fair value has been determined to be Level 3 in valuation hierarchy. The calculation of recoverable amount uses discounted cash flow projections based on financial budgets approved by the management. Following are the significant assumptions were used in estimation of recoverable amount:

	As at 31/03/2018
Sales growth rate	4.00%
Estimated gross margin	22.00%
Long term growth rate	5.00%
Post tax discount rate	13.68%

(c). Details of composition of the Company wholly-owned subsidiaries given below:

Name of the subsidiary	Principal activity	Place of in Incorporation/ Operatio
A V Metals Inc.	Investments	Canada
Hindalco do Brazil Industria E Comercio De Alumina Ltda.	Manufacturing	Brazil

4. Long-term Loans:

(Unsecured, considered good unless otherwise stated)

(₹ in Million)

	As at 31/03/2019	As at 31/03/2018
Advance to related parties(Against equity) (at amortised cost) (refer Note 16)	0.11	0.10
	0.11	0.10

The carrying amounts of loans considered to be the same as their fair values.

5. Cash and Cash Equivalents:

(₹ in Million)

	As at 31/03/2019	As at 31/03/2018
Balance with Banks - Current Accounts	1.10	4.42
	1.10	4.42

6. Short-term Loans:

(Unsecured, considered good unless otherwise stated)

(₹ in Million)

	As at 31/03/2019	As at 31/03/2018
Loans to related parties (at amortised cost) (refer Note 16)	0.13	0.12
	0.13	0.12

The carrying amounts of loans considered to be the same as their fair values.

7. Equity Share Capital:

	Number of shares as at 31/03/2019	Number of shares as at 31/03/2018
Authorized:		
Ordinary shares of Euro 567.83 per value	50,00,000	50,00,000
	50,00,000	50,00,000
Issued:		
Ordinary shares of Euro 567.83 per value	23,73,472	23,37,437
	23,73,472	23,37,437
Subscribed and Paid-up:		
Ordinary shares of Euro 567.83 per value fully paid up shares issued and outstanding	23,73,472	23,37,437
	23,73,472	23,37,437

(₹ in Million)

	As at 31/03/2019	As at 31/03/2018
Issued, Subscribed and Paid-up:		
Ordinary shares of Euro 567.83 per value fully paid up shares issued and outstanding	1,20,291.70	1,11,674.63
	1,20,291.70	1,11,674.63

A V MINERALS (NETHERLANDS) N.V.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

(a). The Company has one class of equity shares having a par value of Euro 567.83 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b). Details of shareholders holding more than 5% Equity Shares in the Company on reporting date:

	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Hindalco Industries Limited #	23,73,472	100%	23,37,437	100%

The Company is the subsidiary of the Hindalco Industries Limited who holds its 100% shareholdings.

(c). The Company during the preceding 5 years:

i. Has not allotted shares pursuant to contracts without payment received in cash.
ii. Has not issued shares by way of bonus shares.
iii. Has not bought back any shares.

(d). Movement in subscribed and paid-up equity share capital

(₹ in Million)

	Number of shares - As at		Value - As at	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Ordinary shares outstanding at the beginning of the period	23,37,437	22,91,993	1,11,674.63	1,09,304.47
Adjustment due to currency translation	-	-	6,963.50	449.33
Additional ordinary shares allotted	36,035	45,444	1,653.57	1,920.83
Ordinary shares outstanding at the end of the period	23,73,472	23,37,437	1,20,291.70	1,11,674.63

8. Other Equity:

(₹ in Million)

	As at	
	31/03/2019	31/03/2018
Share Application money pending allotment	-	-
Other Equity	0.04	-
Foreign Currency Translation Reserve	(398.68)	(126.41)
Retained Earnings:		
Opening Balance	(5,013.50)	(2,193.50)
Profit/(Loss) for the period	(4,850.14)	(2,820.00)
	(9,863.64)	(5,013.50)
	(10,262.28)	(5,139.91)

(a). Brief description of items of other equity are given below:

i. **Share Application money pending allotment**
Share application money pending allotment represents amount received from Hindalco Industries Limited, Parent company for which shares are pending allotment as on balance sheet date.

ii. **Retained Earnings**
Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend and transfer to any reserves as statutorily required.

iii. **Foreign Currency Translation Reserve**
Foreign Currency Translation reserve includes all resulting exchange differences arising from (a) translating the assets and liabilities of the Group's foreign operations into Indian Rupees using exchange rates prevailing at the end of each reporting period and (b) translating income and expense items of the foreign operations at the average exchange rates for the period.

(b). Movement of each item of other equity is presented in Consolidated Statement of Changes in Equity (SOCE).

9. Short-term Borrowings:

(₹ in Million)

	As at	
	31/03/2019	31/03/2018
Short term Borrowings	-	-
	-	-

10. Trade Payables:

(₹ in Million)

	As at	
	31/03/2019	31/03/2018
Trade Payables	0.83	-
	0.83	-

11. Finance Costs:

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
Interest Expenses	0.09	0.02
	0.09	0.02

A V MINERALS (NETHERLANDS) N.V.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

12. Impairment Loss/(Reversal)(Net):

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
Impairment in value of Investments in Hindalco do Brasil Industria E comercio De Alumina Ltda.	4,842.18	2,813.00
	4,842.18	2,813.00

13. Other Expenses:

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
(Gain)/ Loss on Foreign Currency Transactions	0.01	0.01
Miscellaneous Expenses	7.86	6.97
	7.87	6.98

14. Other Comprehensive Income:

The disaggregation of changes to other comprehensive income (OCI) by each class is given below:

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
Items that will be reclassified to Profit and Loss		
Foreign Currency Translation Reserve	6,691.23	411.78
Total Other Comprehensive Income	6,691.23	411.78

15. Deferred Tax:

As at March 31, 2019, the Company has not recognized any deferred tax asset against net operating loss carry forwards, as it is not probable that taxable profits will be available against which these operating loses can be utilized.

16. Related Party Transactions:

(A). Related parties with whom transactions have taken place during the year

(a). **Subsidiary:**

AV Metals Inc.

Hindalco do Brasil Industria E Comercio De Alumina Ltda

(b). **Parent:**

Hindalco Industries Limited, ultimate holding company

(B). Disclosure of transactions in the ordinary course of business between the Company and its related parties during the year and status of outstanding balances at the end of the period:

(₹ in Million)

	Year ended 31/03/2019		Year ended 31/03/2018	
(a) Transaction during the period:	Subsidiary	Parent	Subsidiary	Parent
Investments from Hindalco Industries Limited	-	1,653.61	-	1,920.83
Investments in Hindalco do Brasil Industria E Comercio De Alumina Ltda	1,650.13	-	1,920.83	-

(₹ in Million)

	As at 31/03/2019		As at 31/03/2018	
(b). Balances outstanding as at the end of the period:	Subsidiary	Parent	Subsidiary	Parent
Advances against equity in AV Metals Inc.	0.11	-	0.10	-
Receivables from AV Metals Inc.	0.13	-	0.12	-
Investments in AV Metals Inc.	1,08,447.26	-	1,02,067.55	-
Investments in Hindalco do Brasil Industria E Comercio De Alumina Ltda	1,581.65	-	4,462.53	-

Signature to notes 1-16

For and on behalf of the Board of Directors

Anil Mathew
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V METALS INC.

Fit-for-Consolidation Balance Sheet as at March 31, 2019

(₹ in Million)

	Note No	As at 31/03/2019	As at 31/03/2018
ASSETS			
Non-Current Assets			
Financial Assets:			
Investments in Subsidiary	'3'	108,181.99	101,817.89
Total Non-Current Assets		108,181.99	101,817.89
TOTAL ASSETS		108,181.99	101,817.89
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	'4'	-	-
Other Equity	'5'	108,181.86	101,817.77
TOTAL EQUITY		108,181.86	101,817.77
LIABILITIES			
Current Liabilities			
Financial Liabilities:			
Borrowings	'6'	0.13	0.12
Total Current Liabilities		0.13	0.12
TOTAL LIABILITIES		0.13	0.12
TOTAL EQUITY AND LIABILITIES		108,181.99	101,817.89

Basis of Preparation and Significant Accounting Policies '2'

The accompanying Notes are an integral part of the Fit-for-Consolidation Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

Purnendu Chakraborty
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V METALS INC.

Fit-for-Consolidation Statement of Profit and Loss for the Year ended March 31, 2019

(₹ In Million)

	Note No	Year ended 31/03/2019	Year ended 31/03/2018
EXPENSES			
Other Expenses	'7'	-	(0.09)
Total Expenses		-	(0.09)
Profit/ (Loss) for the period		-	0.09
Other Comprehensive Income (loss):	'8'		
Foreign Currency Translation Reserve		6,364.09	398.74
Other Comprehensive Income/ (Loss) Net of Tax		6,364.09	398.74
Total Comprehensive Income/ (Loss) for the year		6,364.09	398.83
Profit/ (Loss) for the year attributable to:			
Owners of the Company		-	0.09
Other Comprehensive Income/ (Loss) attributable to:			
Owners of the Company		6,364.09	398.74
Total Comprehensive Income/ (Loss) attributable to:			
Owners of the Company		6,364.09	398.83
Basis of Preparation and Significant Accounting Policies	'2'		

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date

For and on behalf of th the Board of Directors

Purnendu Chakraborty
Director
Place: Mumbai
Date:

ANIL MALIK
DIRECTOR

A V METALS INC.

Fit-for-Consolidation Statement of Changes in Equity for the Year ended March 31, 2019

(₹ in Million)

	Note No	Share Application money pending allotment	Other Equity	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Total
Balance as at April 01, 2017	'5'	0.10	101,667.84	(239.22)	(9.78)	101,418.94
Profit/ (Loss) for the year		-	-	0.09	-	0.09
Other comprehensive income/ (Loss) for the period		-	-	-	398.74	398.74
Total comprehensive income/ (Loss) for the period		-	-	0.09	398.74	398.83
Foreign Currency translation of other equity		-	399.71	-	(399.71)	-
Balance as at March 31, 2018	'5'	0.10	102,067.55	(239.13)	(10.75)	101,817.77
Profit/ (Loss) for the year		-	-	-	-	-
Other comprehensive income/ (Loss) for the period		-	-	-	6,364.09	6,364.09
Total comprehensive income/ (Loss) for the period		-	-	-	6,364.09	6,364.09
Foreign Currency translation of other equity		0.01	6,379.71	-	(6,379.72)	-
Balance as at March 31, 2019	'5'	0.11	108,447.26	(239.13)	(26.38)	108,181.86

Basis of Preparation and Significant Accounting Policies

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Change in Equity.

This is the Statement of Change in Equity referred to in our report of even date

For and on behalf of the Board of Directors

Purnendu Chakraborty
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V METALS INC.

Fit-for-Consolidation Cash Flow Statement for the Year ended March 31, 2019

(₹ in Million)

	Note No	Year ended 31/03/2019	Year ended 31/03/2018
A. Cash flow from/(used in) operating activities			
Profit/ (Loss) before Tax:		-	0.09
Net Cash Generated/ (Used) - Operating Activities		-	0.09
B. Cash flow from/(used in) financing activities			
Proceeds from Equity Share Capital		-	-
Repayment of Borrowings		-	(0.09)
Net Cash Generated/ (Used) - Financing Activities		-	(0.09)
Net Increase/ (Decrease) in Cash and Cash Equivalents		-	-
Opening Cash and Cash Equivalents		-	-
Closing Cash and Cash Equivalents		-	-

Basis of Preparation and Significant Accounting Policies

The accompanying Notes are an integral part of the Fit-for-Consolidation Statement of Cash Flows.

This is the Statement of Cash Flows referred to in our report of even date

For and on behalf of the Board of Directors

Purnendu Chakraborty
Director
Place: Mumbai
Date:

ANIL MALIK
Director

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

1. General Information

A V Metals Inc. (A V Metals or the Company) was incorporated in Ontario, Canada under the Canada Business Corporations Act (CBCA) on February 1, 2007 as a holding company for the direct investment in its wholly-owned subsidiary, A V Aluminum Inc. (A V Aluminum). A V Metals is a wholly-owned subsidiary of A V Minerals (Netherlands) N.V. (A V Minerals), which was incorporated in Amsterdam, the Netherlands on April 18, 2007. A V Minerals was formed as a holding company for the direct investment in A V Metals and is a wholly-owned subsidiary of Hindalco Industries Ltd. (Hindalco).

A V Aluminum was incorporated in Ontario, Canada under the CBCA. A V Aluminum was initially formed and incorporated as "6703534 Canada Limited" on January 16, 2007, and its name was changed to A V Aluminum Inc. on February 6, 2007. A V Aluminum was formed as a holding company for the direct investment in its wholly-owned operating subsidiary, Novelis Inc. and its subsidiaries (Novelis).

Novelis is a company incorporated in Ontario, Canada under the Canada Business Corporation Act on September 21, 2004. Novelis produces aluminum sheet and light gauge products for use in the packaging market, which includes beverage and food can and foil products, as well as for use in the automotive, transportation, electronics, architectural and industrial product markets. Novelis is also the world's largest recycler of aluminum and has recycling operations in many of its plants to recycle both postconsumer aluminum and post-industrial aluminum. As at 31 March, 2019, Novelis had manufacturing operations in ten countries on four continents: North America, South America, Asia and Europe; through 24 operating facilities, including recycling operations in thirteen of these plants.

Effective 29 September, 2010, in connection with an internal restructuring transaction, pursuant to articles of amalgamation under the CBCA, Novelis was amalgamated with A V Aluminum, to form an amalgamated corporation named Novelis Inc., also a Canadian corporation.

As a result of the Amalgamation, Novelis and A V Aluminum continue Novelis' corporate existence, the amalgamated Novelis Inc. remains liable for all of Novelis and A V Aluminum's obligations and continues to own all of Novelis and A V Aluminum respective property. Since A V Aluminum was a holding company whose sole asset was the shares of the pre amalgamated Novelis, the business, management, board of directors and corporate governance procedures of Novelis Inc. following the Amalgamation are identical to those of Novelis immediately prior to the Amalgamation. Novelis Inc., like A V Aluminum, remains an indirect, wholly-owned subsidiary of Hindalco.

2. Basis of Preparation and Significant Accounting Policies:

I. Basis of Preparation

These Fit-for-Consolidation Financial Statements ('the FFC FS') relate to AV Metals which is presented on a non-consolidated, stand-alone basis as a separate financial statements.

The FFC FS have been prepared in conformity with the Group Accounting Policies of Hindalco Industries Limited ('Hindalco'), which are in accordance with the recognition and measurement principles of Indian Accounting Standard notified under section 133 of the Companies Act 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] ('Ind AS') and other accounting principles generally accepted in India. The FFC FS have been prepared to facilitate Hindalco in preparation of its consolidated financial statements. The FFC FS does not include the disclosures as required under Ind AS in its entirety. The financial statements has been prepared on the historical cost basis.

The above accounting standards and interpretations are collectively referred to as Ind AS in the FFC FS.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

These FFC FS have been prepared in U.S. Dollars (USD), which is the functional currency of the Company. The same has been translated into Indian Rupees (Rs) to facilitate Hindalco in preparation of its consolidated financial statements (Refer Policy 2(II)(H)). There are no Fixed Assets, Inventories or Employees in the Company.

II. Summary of Significant Accounting Policies

A. Foreign Currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise.

B. Investments

A subsidiary is an investee controlled by the Company. Control exists when it has power over the entity, is exposed, or has right to variable returns from its involvement with the entity and has ability to affect those returns by using its power over entity.

Investments in subsidiaries is accounted for at cost less impairment losses, if any.
In accordance with Ind AS 27 "Separate Financial Statements", the Company has elected not to prepare consolidated financial statements as the Company is a wholly owned subsidiary of Hindalco Industries Limited, the ultimate holding company, incorporated in India, which prepares the consolidated financial statements.

C. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of investments in subsidiaries to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

D. Financial Instruments

Financial assets are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis.

Financial liabilities, such as borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Financial guarantee contracts

Financial guarantee contracts are initially measured by the issuer at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined by using expected credit loss model; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

E. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.
For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

F. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operate and generate taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

G. Provision

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Litigation

Provision is recognised once it has been established that the Company has a present obligation based on consideration of the information which becomes available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

H. Fit-for Consolidation Adjustments

For the purpose of the FFC FS, the Company's income and expense items are translated into Indian Rupees at average rates prevailing during the period. All assets, liabilities, equity and other reserves (except retained earnings) are translated into Indian Rupees at rates prevailing at the end of the period. All resulting exchange differences are accumulated in "Foreign Currency Translation Reserve", however, exchange differences arising on translating assets and liabilities are recognised through "Other Comprehensive Income" and exchange differences arising on re translating 'Other Equity' and 'share application money pending allotment' item is recognised directly in Equity.

III. Critical accounting judgment and key sources of estimation uncertainty

In preparing the financial statements in conformity with group accounting policies of Hindalco, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

The following paragraphs explains areas that are considered more critical, involving a higher degree of judgment and complexity.

A. **Impairment of Investments**
IndAS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include changes resulting from market and economic environment, including internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost.
In accordance with Ind-AS 36, if a loss in value is indicated, the recoverable amount is estimated as the higher of the Assets fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, currency rate movements, input cost prices, operating expenses and tax and legal environment. The Company uses internal business plans, expected market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter.

B. **Taxes**
The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

IV. **Amendments to Standards issued but not yet effective**
The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards during the year ended 31 March, 2019 which are effective from 01 April, 2019. The Company has assessed all these amendments and its impact on financial statement is explained below:

A. **Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'**
The appendix explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgment and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgment.

The Company is assessing its existing models and processes which it has developed to account for tax uncertainties against the specific guidance in appendix C to Ind AS 12 to consider the impact on income tax accounting in respect of its tax jurisdiction which is Canada.

B. **Long-term Interests in Associates and Joint Ventures – Amendments to Ind AS 28, 'Investment in Associates and Joint Ventures'**
The amendment clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 'Financial Instruments' before applying the loss allocation and impairment requirements in Ind AS 28. Since the Company do not have such long-term interests in its associates or joint ventures, the amendments will not have any impact on its financial statements.

C. **Prepayment Features with Negative Compensation – Amendments to Ind AS 109, 'Financial Instruments'**
The amendment made to Ind AS 109 enable entities to measure certain pre-payable financial assets (e.g. loans and debt securities which otherwise have to be measured as FVTPL) with negative compensation at amortised cost. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model. Since the Company do not have such financial instruments, the amendments will not have any impact on its financial statements.

D. **Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'**
The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. It confirms that entities must:

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

Since the Company does not have employees, this amendment will not have any impact on its financial statements.

E. **Ind AS 103, 'Business Combinations'**
The amendment clarifies that obtaining control of a business that is a joint operation, is a business combination achieved in stages. The acquirer should re-measure its previously held interest in the joint operation at fair value at the acquisition date.
These amendments will apply to future business combinations of the Company for which acquisition date is on or after 1 April 2019.

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

F. **Ind AS 111, 'Joint Arrangements'**

The amendment clarifies that the party obtaining joint control of a business that is a joint operation should not re-measure its previously held interest in the joint operation.

These amendments will apply to future transactions of the Company in which it obtains joint control of a business on or after 1 April 2019.

G. **Ind AS 23, 'Borrowing Costs'**

The amendments clarifies that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
There is no specific borrowings outstanding at present. These amendments will apply to future transactions of specific borrowing of the Company on or after 1 April 2019.

H. **Ind AS 12, 'Income Taxes'**

The amendment clarifies that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

This amendment is not expected to have any material impact on the financial statements of the Company.

I. **Ind AS 116, Leases**

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019

The new standard introduces a single model of lease accounting and eliminates the classification of leases as either finance leases or operating leases for a lessee as was required under Ind AS 17. Ind AS 116 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in its financial statement. Lessee will recognise depreciation of right of use assets and interest on lease liabilities in the statement of profit or loss. In the Cash Flow statement, operating cash flows will be higher as payment of the lease liability and related interest are to be classified within financing activities.
Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and account for those two types of leases differently.
The effective date for adoption of Ind AS 116 is financial year beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Fully retrospective- Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Error
- Modified retrospective- Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company do not have leasing transactions and the amendments will not have any impact on its financial statements.

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

3. Investments in Subsidiary:

(Amount in Millions)

	Numbers - As at		Value - As at	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Unquoted (b) (c)				
Investment in equity instruments (Fully paid-up)				
Equity shares in Novelis Inc. of Nil par value (refer Note 9)	1,000	1,000	108,181.99	101,817.89
			108,181.99	101,817.89

(a). Aggregate amount of quoted and unquoted investments, market value of quoted investments and aggregate amount of impairment in value of investments are given below:

	31/03/2019	31/03/2018
Aggregate cost of unquoted investments	108,181.99	101,817.89
Aggregate amount of impairment in value of investments	-	-

(b). Details of composition of the Company wholly-owned subsidiary given below:

Name of the subsidiary	Principal activity	Place of in incorporation/ Operation
Novelis Inc.	Manufacturing	Canada

(c). Investments in subsidiary has been carried at cost. It is not listed on any stock exchange in India or outside India.

4. Equity Share Capital:

	Number of shares as at	
	31/03/2019	31/03/2018
Authorized:		
Equity Shares of Nil par value	1,100	1,100
	1,100	1,100
Issued:		
Equity Shares of Nil par value	1,100	1,100
	1,100	1,100
Subscribed and Paid-up:		
Equity Shares of Nil par value Issued and outstanding	1,100	1,100
	1,100	1,100

(a). The Company has one class of equity shares having ₹ Nil par value. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b). Details of shareholders holding more than 5% Equity Shares in the Company on reporting date:

	As at 31/03/2019		As at 31/03/2018	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
A V Minerals (Netherlands) N.V. #	1,100	100%	1,100	100%

Subsidiary of the Hindalco Industries Limited which holds 100% of its shareholdings.

(c). The Company during the preceding 5 years:

i. Has not allotted shares pursuant to contracts without payment received in cash.
ii. Has not issued shares by way of bonus shares.
iii. Has not bought back any shares.

(d). **Movement in subscribed and paid-up equity share capital**

	Number of shares as at	
	31/03/2019	31/03/2018
Equity shares outstanding at the beginning of the period	1,100	1,100
Equity shares outstanding at the end of the period	1,100	1,100

5. Other Equity:

(₹ In Million)

	As at	
	31/03/2019	31/03/2018
Share Application money pending allotment (refer Note 9)	0.11	0.10
Other equity - Others	108,447.26	102,067.55
Foreign currency translation Reserve	(26.38)	(10.75)
Retained earnings:		
Opening Balance	(239.13)	(239.22)
Profit/(Loss) for the period	-	0.09
	(239.13)	(239.13)
	108,181.86	101,817.77

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

(a). Brief description of items of other equity are given below:

i. **Share Application money pending allotment**

Share application money pending allotment represents amount received from A V Minerals, Parent company for which shares are pending allotment as on balance sheet date.

ii. **Retained Earnings**

Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend and transfer to any reserves as statutorily required.

iii. **Other Equity - Others**

Other Equity represents additional paid in capital which has arisen at the time of purchase of shares by A V Minerals (Netherlands) N.V.

iv. **Foreign Currency Translation Reserve**

Foreign Currency Translation reserve includes all resulting exchange differences arising from (a) translating the assets and liabilities of the Group's foreign operations into Indian Rupees using exchange rates prevailing at the end of each reporting period and (b) translating income and expense items of the foreign operations at the average exchange rates for the period.

(b). Movement of each item of other equity is presented in Consolidated Statement of Changes in Equity (SOCE).

6. Current Borrowings:

(₹ in Million)

	As at	
	31/03/2019	31/03/2018
Unsecured (At amortised cost)		
Loans from Related Party (refer Note 9)	0.13	0.12
	0.13	0.12

7. Other Expenses:

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
Bank Charges/ (Write-back) (Net)	-	(0.09)
	-	(0.09)

8. Other Comprehensive Income:

(₹ in Million)

	Year ended 31/03/2019	Year ended 31/03/2018
Items that will be reclassified to Profit and Loss		
Foreign currency translation reserve	6,364.09	398.74
Total Other Comprehensive Income	6,364.09	398.74

9. Related Party Transactions:

(A). Related parties with whom transactions have taken place during the year

(a). **Subsidiary:**

Novelis Inc.

(b). **Parent:**

A V Minerals (Netherlands) N.V.

Hindalco Industries Limited, ultimate holding company

(B). Disclosure of transactions in the ordinary course of business between the Company and its related parties during the year and status of outstanding balances at the end of the period:

(₹ in Million)

(a) Transaction during the year:	Year ended 31/03/2019		Year ended 31/03/2018	
	Subsidiary	Parent	Subsidiary	Parent
Investments from A V Minerals (Netherlands) N.V.	-	-	-	-
Investments in Novelis Inc.	-	-	-	-

(Amount in Millions)

(b). Balances outstanding as at the end of the period:	As at 31/03/2019		As at 31/03/2018	
	Subsidiary	Parent	Subsidiary	Parent
Advances against Equity from A V Minerals (Netherlands) N.V.	-	0.11	-	0.10
Loans from A V Minerals (Netherlands) N.V.	-	0.13	-	0.12
Investments in Novelis Inc.	108,181.99	-	101,817.89	-

A V METALS INC.

Notes to the Fit-for-Consolidation Financial Statements as at and for the year ended 31 March, 2019

10. Deferred Tax:

As at March 31, 2019, the Company has not recognized any deferred tax asset against net operating loss carry forwards, as it is not probable that taxable profits will be available against which such operating loses can be utilized.

11. Guarantees:

The Company is a guarantor as primary obligor for all the obligations of Novelis Inc. under both the Term Loan Facility and Asset Based Loan Facility (ABL Facility). In addition to the guarantees, A V Metals has pledged 100% of shares of Novelis Inc. as collateral for the two loans (first priority to the Term Loan Facility lenders and second priority to the ABL facility lenders).

In the second quarter of fiscal 2019, Novelis Inc. (Novelis), a subsidiary of the Company, has signed a definitive agreement to acquire Aleris, a global supplier of rolled aluminum products for $2.6 billion, including the assumption of debt. In November 2018, Novelis amended the existing Term Loan Facility to, among other things, allow the incurrence of the financing contemplated to close the proposed Aleris acquisition, which is subject to customary closing conditions and approvals. In December 2018, Novelis entered into an amendment (the "Term Loan Increase Joinder Amendment") to its existing Term Loan Facility, which provides for the commitments of certain financial institutions to provide, subject to customary closing conditions (including the concurrent closing of the Aleris acquisition), up to $775 million of incremental term loans under our existing term loan credit agreement for purposes of funding a portion of the consideration payable in connection with the proposed Aleris acquisition. The incremental term loans will be guaranteed by AV Metals Inc., the Company and certain other subsidiaries (including subsidiaries of Aleris following closing of the proposed acquisition) and secured on a pari passu basis with our existing term loans by security interests in substantially all of the assets of the Company and the guarantors, subject to the existing intercreditor agreement.

Signature to notes 1-11

For and on behalf of the Board of Directors

Purnendu Chakraborty
Director
Place: Mumbai
Date:

ANIL MALIK
DIRECTOR

HINDALCO DO BRASIL IND. E COMERCIO DE ALUMINA LTDA

Date: 30/04/2019
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Balance Sheet as on March 31, 2019

US$'000

PARTICULARS	Schedules	Ind-AS 31st March 2019	Ind-AS 31st March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	(1)	12.146,83	6.491,41
Capital work in progress		4.603,75	5.246,12
Investment property	(2)	-	-
Goodwill	(3)	-	-
Other intangible assets	(4)	820,31	1.043,40
Intangibles under development			
Financial assets			
-Investment in subsidiaries (for standalone only)			
-Investments in equity accounted entities	(5)		
-Investments in debt and equity securities	(6)		
-Loans	-	28,32	27,78
-Others	(8)		
Deferred tax assets (Net)	(9)		
Advance tax assets (net of provision)			
Other non-current assets	(14)	2.144,51	5.167,56
Total non-current assets		**19.743,71**	**17.976,26**
Current assets			
Inventories	(13)	13.086,44	12.945,85
Financial assets			
Investments in debt and equity securities	(6)		
Trade receivables	(12)	5.955,56	7.276,29
Unbilled revenue			
Cash and cash equivalents	(11)	1.835,10	2.924,36
Bank Balances other than above	(25)	-	-
Loans	-	-	49,64
Others	(8)	-	-
Current tax assets (net)			
Other current assets	(14)	5.577,26	3.958,37
		26.454,37	27.154,51
Non current assets classified as held for sale	(15)		
Total Current Assets		26.454,37	27.154,51
TOTAL ASSETS		46.198,08	45.130,77

EQUITY AND LIABILITY			
Equity			
Equity Share Capital	-	135.781,16	112.171,22
Other Equity	(17)	(114.842,92)	(92.468,81)
Non-controlling interest			
TOTAL EQUITY		20.938,24	19.702,41
Liabilities			
Non-current liabilities			
Financial Liabilities			
-Borrowings	(18)	-	-
-Trade payable	(22)	-	-
-Others	(19)	-	-
Provision	(20)	16.040,72	16.275,24
Deferred tax liabilities (Net)	(9)	-	-
Other non-current liabilities	(21)	-	-
Total non-current liabilities		**16.040,72**	**16.275,24**
Current liabilities			
Financial Liabilities			
-Borrowings	(23)	-	637,58
-Trade payables	(22)	8.139,16	7.806,05
-Others	(19)	-	-
Provisions	(20)	892,18	471,23
Current tax liabilities (net)		-	-
Other current liabilities	(21)	187,78	238,26
Liabilities Associated with group(s) of assets held for disposal	(15)	-	-
Total current liabilities		**9.219,12**	**9.153,12**
TOTAL LIABILITIES		**25.259,84**	**25.428,36**
TOTAL EQUITY AND LIABILITIES		46.198,08	45.130,77

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

PARTICULARS	Schedules	for the period ended 31st March 2019	for the period ended 31st March 2018
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations [Gross]	(16)	48.989,55	42.481,93
Less: Excise Duty		-	-
Net Revenue from Operations		48.989,55	42.481,93
Other Income	(17)	216,89	335,08
Total Income		**49.206,45**	**42.817,02**
EXPENSES			
Cost of Materials Consumed	(18)	37.262,82	26.841,17
Purchases of Stock-in-Trade			
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(19)	(1.249,84)	(4.069,21)
Employee Benefits Expense	(20)	6.411,23	7.184,50
Power and Fuel		3.170,61	3.027,22
(Gains)/losses on financial instruments	(21)	-	-
Finance Cost	(22)	2.126,90	3.851,51
Depreciation and Amortization		1.454,39	3.515,66
Impairment Loss/(Reversal) (Net)			
Exploration and evaluation expenditure			
Other Expense	(23)	19.019,54	25.731,30
Total Expenses		68.195,64	66.082,15
Profit/(loss) before exceptional items and tax		**(18.989,19)**	**(23.265,13)**
Exceptional Items			
Profit/(loss) before tax		**(18.989,19)**	**(23.265,13)**
Tax Expenses:	(24)		
Current Tax			
Deferred Tax			
Profit/ (Loss) for the period after tax and before share of associates and joint ventures		**(18.989,19)**	**(23.265,13)**
Share in Profit/ (Loss) of Associates (Net)			
Share in Profit/ (Loss) of Joint ventures (Net)			
Profit/ (Loss) from continuing operations		**(18.989,19)**	**(23.265,13)**
Profit/(loss) from discontinued operations	(15)	-	-
Profit/ (Loss) for the period		**(18.989,19)**	**(23.265,13)**
Other Comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of defined benefit obligation			
Change in fair value of equity instruments designated irrevocably as FVTOCI			
Share of Other Comprehensive Income in Associates			
Share of Other Comprehensive Income in Joint Ventures			
Others (Specify)			
Less :-income tax expense			
		-	-
Items that will be reclassified subsequently to profit and loss			
Change in fair value of debt Instruments through Other Comprehensive Income			
The effective portion of gains and loss on hedging instruments in a cash flow hedge			
Net investment hedge			
Time value of options desginated in hedge relationship			
Exchange differences in translating the financial statements of a foreign operation		(3.384,91)	(3.230,22)
Share of other comprehensive income of associates			
Share of other comprehensive income of joint venture			
Others (Change in Fair value of Derivative)			
Less :-income tax expense			
		(3.384,91)	(3.230,22)
Other Comprehensive income for the period, net of tax		(3.384,91)	(3.230,22)
Total Comprehensive Income for the period		(22.374,11)	(26.495,35)
Non-controlling interest			

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Cash Flow Statement

US$'000

	Period ended 31st March 2019
Cash flow from/(used in) operating activities	
Profit for the period	(18.989,19)
Adjustment for:	
Income tax expense	
Share in Profit/ (Loss) of Associates (Net)	
Share in Profit/ (Loss) of Joint ventures (Net)	
Finance cost	2.126,90
Interest income	(144,09)
Dividend income	
Liabilities no longer required written back	
Profit/ (Loss) on PPE and Intangibles sold/ discarded (Net)	
Employee share based payment	
Gains(losses) on financial instruments	
Depreciation and Amortization	1.454,39
Impairment Loss/(Reversal) (Net)	
(Gain)/ Loss on assets held for sale	
Unrealised (gain)/ loss on foreign currency transactions and translation (Net)	2.816,61
Impairment loss (net) on	
Trade receivables	
Financial assets at amortised cost	
Financial assets at FVTOCI	
Hedge ineffectiveness on	
cash flow hedge	
fair value hedge	
Gains(losses) on extingiushment of debt	
Provision (Long - term) for ARO - Vargem mines/ Long term component of TFRM tax provision	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Others [please describe]	
	(12.623,77)
Movement in working capital:	
(Increase)/decrease in trade receivables	2.457,68
(Increase)/decrease in trade receivables related party	
(Increase)/decrease in loans and advances (at amortised cost)	3,53
(Increase)/decrease in loans and advances (at amortised cost) related party	
(Increase)/decrease in other financial assets	
(Increase)/decrease in other financial assets related party	
(Increase)/decrease in inventories	(2.457,33)
(Increase)/decrease in other assets	(2.515,02)
(Increase)/decrease in other assets related party	
Increase/(Decrease) in trade and other payables	(2.666,88)
Increase/(Decrease) in trade and other payables related party	
Increase/(Decrease) in provision	3.901,21
Increase/(Decrease) in other financial liabilities	
Increase/(Decrease) in other financial liabilities related party	
Increase/(Decrease) in other liabilities	(50,48)
Increase/(Decrease) in other liabilities related party	
Cash generated/(used) in operations	(13.951,06)
Cash flow from/(used) investing activities	
Payments to acquire property, plant and equipment	(9.692,78)
Proceeds from disposal of property, plant and equipment	
Payments for investment property	
Proceeds from disposal of investment property	
Payments for intangible assets	
Interest received	144,09
Dividend received	
Net cash inflow on disposal of subsidary	
Net cash inflow on disposal of associate and joint venture	
Purchase of debt and equity instruments including mutual funds	
Sale of debt and equity instruments including mutual funds	
Amounts advanced for inter-corporate deposits and loans	
Proceeds from repayments of inter-corporate deposits and loans	
Investment in fixed deposit	4,82
Proceeds from maturity of fixed deposit	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Cash generated/(used) in investing activities	(9.543,87)

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Cash Flow Statement	30/04/2019 4/33 US$'000
Cash flow from/(used in) financing activities	
Proceeds from issue of equity instruments	23.609,94
Proceeds from issue of share warrants	
Payment for share issue cost	
Proceeds from borrowings	(707,82)
Payment for debt issue cost	
Repayment of borrowings	
Proceeds from government grant	
Finance cost paid	(67,16)
Dividend paid to owners including dividend distribution tax	
Purchase of interest from non-controlling interest	
Proceeds from disposal of partial interest in subsidary to non-controlling interest	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Others [please describe]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Related party [please specify nature of transaction]	
Cash generated/(used) in financing activities	22.834,96
Net increase/(decrease) in cash and cash equivalents	(659,98)
Cash and cash equivalents at the beginning of the year	2.924,36
Effects of exchange rate changes on cash held in foreign currency	(429,27)
Cash and cash equivalents at the end of the year	1.835,10
Cash and cash equivalents comprise of:	
Cash on hand	
Cheques on hand	
Bank balances	
In current/checkin accounts	23,45
Demand deposits (less than 3 months maturity)	1.811,65
Short term, highly liquid investments	
Liquid mutual funds	
Bank overdraft	
Cash and cash equivalents at the end of the year	1.835,10
Reconciliation with balance sheet	
Cash and cash equivalents at the end of the year	1.835,10
Less:- Bank overdraft	
Cash and cash equivalents as presented in balance sheet	1.835,10
Non cash financing activity	

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

US$'000

Statement of Profit and Loss for the period ended 31st March 2019	Equity Share Capital	General Reserve	Reserves and Surplus Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Total	Non-controlling interest	Total
Balance at beginning of the Year as per Ind-AS	112.171,22		(90.727,00)	(1.741,81)	19.702,41		
Proceeds from shares issued	23.609,94				23.609,94		
Proceeds from warrants issued					-		
Proceeds from Share Application pending allotment					-		
Profit for the period			(18.989,19)		(18.989,19)		
Other comprehensive Income for the period				(3.384,91)	(3.384,91)		
Total comprehensive income for the period	-	-	(18.989,19)	(3.384,91)	(22.374,11)	-	-
Balance at the end of the reporting period	135.781,16		(109.716,19)	(5.126,73)	20.938,24		

Note: SOCIE will be reported on YTD basis

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

	Date:	30/04/2019
Statement of Profit and Loss for the per	Page:	6/33
		US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Sale of Products	48.695,71	42.580,81
Sale of Services		
Other Operating Revenues	293,84	- 98,87
Gross Revenue from Operations	**48.989,55**	**42.481,93**
Less: Excise Duty		
Net Revenue from Operations	**48.989,55**	**42.481,93**

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Employee Benefits Expense
Statement of Profit and Loss for the period ended 31st March 2

Date: 30/04/2019
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US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Salaries, wages and bonus	4.396,86	4.906,84
Post-employment benefits		
Contribution to Provident fund and other defined contribution funds	1.418,78	1.621,42
Gratuity, pension and other defined benefit plan	595,58	656,24
Employee share based payment		
equity-settled share-based payment transactions		
cash-settled share-based payment transactions		
Staff welfare		
	6.411,23	7.184,50
Less: Transferred to capital Work- in-Progress		
	6.411,23	7.184,50

Please provide description of the terms of defined contribution plans

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Finance cost

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Interest expense	67,16	170,39
Bank charges and fees	-	-
Dividend on redeemable preference shares		
Exchange differences regarded as an adjustment to borrowing costs		
Unwinding of discount - ARO	2.732,04	3.886,79
Other borrowing cost		
Interest expense at effective interest rate	2.799,20	4.057,19
Interest on direct and indirect taxes		
Bank charges and fees on borrowing not forming part of effective interest rates		
(Gain) /Loss on foreign currency transactions and translation (Net)	(672,30)	(205,68)
	2.126,90	3.851,51
Less: Income on specific borrowings for qualifying assets		
	2.126,90	3.851,51
Less: Transfer to Capital work in progress		
	2.126,90	3.851,51

Weighted average capitalisation rate applicable to the borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Gains/(losses) on financial instruments

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

	for the period ended 31st March 2019	for the period ended 31st March 2018
Gains(loss) on financial assets designated at FVTPL (Net)		
Gains(loss) on financial liabilites designated at FVTPL (Net)		
Gains(loss) on financial assets measured at FVTPL (Net)		
Gains(loss) on financial liabilities measured at FVTPL (Net)		
Gains(loss) on derivatives measured at FVTPL (Net)		
Gain/Loss on change in Fair value	-	-
Gains(losses) on financial liabilites measured at amortised cost (Net)		
Gains(losses) on derecognition of financial assets measured at amortised cost (Net)		
Gains(losses) on derecognition of debt measured at FVTOCI (Net)		
Gains(losses) on reclassification of financial assets at fair value (Net)		
	-	-

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Other Expenses
Statement of Profit and Loss for the period ended 31st March 2019

Date: 30/04/2019
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US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Consumption of Stores and Spares	2.988,86	3.325,60
Repairs to		
Buildings	484,94	493,04
Machinery	687,57	924,68
Others	1.535,62	1.740,97
Rates and Taxes	452,92	503,04
Rent	178,11	210,34
Operating lease payments (including Rent)		
Insurance	140,01	172,38
Payment to Auditors		
Audit fees	26,06	23,08
Tax Audit fees		
Taxation matters		
Company Law matters		
Other services		
Reimbursement of expense		
Research and Development		
Freight and Forwarding Expenses (Net)		
Legal and professional fees	597,21	596,51
Information technology and communication expense		
Contract labour cost		
Travelling and conveyance		
Sales promotion, marketing and advertisement cost	10,92	33,13
Corporate social responsibility activities		
Impairment loss on		
Trade receivables		
Financial assets at amortised cost		
Financial assets at FVTOCI		
Provision for Doubtful Loans, Advances and Debts (Net)	212,42	57,34
Bad Loans, Advances and Debts written off/ (written back) (Net)		
Pre-operative/ Incidental Expenditure written-off		
Prior Period Items (Net)		
Donation		
Directors' Fees and Commission		
(Gain)/ Loss on assets held for sale		
(Gain)/ Loss on Change in Fair Value of Derivatives (Net) (Net)		
Cost of own Manufactured Products Capitalized/ Used		
Tolling Expenses		
Bauxite extraction cost (including incoming freight)	6.748,01	7.637,57
Provision for ARO - Vargem mines		
Provision for discount - ICMS	154,39	360,08
Bank charges and fees	207,50	189,35
Others [describe]		
Others [describe]		
Others [describe]		
Miscellaneous Expenses	4.595,02	9.464,18
	19.019,54	25.731,30
Less: Transfer to Capital Work-in-Progress		
	19.019,54	25.731,30

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Interest Income	144,09	228,23
Dividend Income		
on investments derecognised during the reporting period		
on investments held at the end of the reporting period		
Profit/ (Loss) on PPE and Intangibles sold/ discarded (Net)		
Rent Income		
from Investment properties		
from Staff accomodation		
Liabilities no longer required written back		
Insurance claims received		
On Property Plant and Equipments		
On Other items		
Income from government grants		
Other Non-Operating Income (Net)	72,81	106,86
	216,89	335,08

Description of nature of grant

N/A

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Statement of Profit and Loss for the period ended 31st March 2019 US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Opening Stocks		
Work-in-Progress	8.586,48	6.034,01
Finished Goods	3.286,58	2.347,36
Stock-in-Trade		
	11.873,06	8.381,37
Less: Closing Stocks		
Work-in-Progress	8.322,34	8.586,48
Finished Goods	2.727,20	3.286,58
Stock-in-Trade		
	11.049,54	11.873,06
(Increase)/decrease in stocks	823,52	(3.491,69)
Add: Inventories acquired in business combination		
Add: Change in Excise Duty on Stock (Net)		
Add: Currency Translation Adjustment (Net)	- 2.073,37	- 577,52
	(1.249,84)	(4.069,21)

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Cost of Materials Consumed

Statement of Profit and Loss for the period ended 31st March 2019 US$'000

Particulars	for the period ended 31st March 2019	for the period ended 31st March 2018
Copper concentrate		
Aluminium		
Bauxite		
Caustic soda	8.663,77	8.776,90
Oil Furnance	16.609,37	14.019,11
Rock Phosphate		
Anode		
Others	11.989,67	4.045,16
	37.262,82	26.841,17
Less:- Transfer to capital work in progress		
	37.262,82	26.841,17

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

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Statement of Profit and Loss for the period ended 31th March 2019

US$'000

	Original Cost								
	As at 1st April 2018	Additions	CWIP Capitalized (Ind AS 16.74(b)	Acqusition through business combinations	Reclassified as held for sale	Disposals	Borrowing cost capitalized (GNVI 8.7.1)	Exchange Adjustments	As at period end 31/03/2019
Freehold land	9,97	-				-		(1,55)	8,42
Buildings	3.362,43	2.424,79				(100,40)		(526,03)	5.160,79
Leasehold Improvements	-	-				-		-	-
Plant and Equipment	5.558,46	5.891,07				(151,89)		(869,57)	10.428,08
Vehicles and Aircrafts	111,65	79,97				(58,03)		(15,95)	117,65
Furniture and Fixture	89,98	21,85				(3,17)		(14,04)	94,61
Computer Equipment	390,10	26,30				(9,47)		(60,80)	346,12
	9.522,58	8.443,98	-	-	-	(322,95)	-	(1.487,94)	16.155,67

	Depreciation						Impairment							Net Book Value	
	As at 1st April 2018	Depreciation charge	Disposals	Reclassified as held for sale	Exchange Adjustments	As at period end 31/03/2019	As at 1st April 2018	Impairment charge [Ind AS 36:130(b)]	Impairment reversal [Ind AS 36:130(b)]	Disposals	Reclassified as held for sale	Exchange Adjustments	As at period end 31/03/2019	As at period end 31/03/2019	As at period end 31/03/2018
Freehold land	-	-	-		-	-	-						-	8,42	9,97
Buildings	539,81	142,02	-		(88,92)	592,92	-						-	4.567,87	2.822,61
Leasehold Improvements	-	-	-		-	-	-						-	-	-
Plant and Equipment	2.209,37	1.271,40	-		(386,68)	3.094,08	-						-	7.334,00	3.349,09
Vehicles and Aircrafts	49,35	8,93	-		(8,03)	50,25	-						-	67,40	62,30
Furniture and Fixture	25,61	8,75	-		(4,29)	30,08	-						-	64,54	64,37
Computer Equipment	207,03	69,08	-		(34,60)	241,51	-						-	104,61	183,07
	3.031,17	1.500,18	-	-	(522,51)	4.008,84	-	-	-	-	-	-	-	12.146,83	6.491,41

Negative value under "Disposals" column of Depreciation relates to accumulated depreciation on forklift sold during the period

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the Year ended 31st March 2019

US$'000

	Original Cost									Net Book Value	
	As at 1st April 2018	Additions	CWIP Capitalized (Ind AS 16.74(b)	Acqusition through business combinations	Reclassified as held for sale	Disposals	Borrowing cost capitalized (GNVI 8.7.1)	Exchange Adjustments	As at period end (YTD) 31/03/2019	As at period end (YTD) 31/03/2019	As at 31st March 2018
Capital Work-in-Progress	5.246,12	5.182,01	- 7.565,60					1.741,22	4.603,75	4.603,75	5.246,12
	5.246,12	5.182,01	- 7.565,60	-	-	-	-	1.741,22	4.603,75	4.603,75	5.246,12

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

Are there assets pledged as security (including those under finance lease)	No
Is there capital expenditure contracted for at the end of the reporting period but not yet incurred	No
Is there expenditure on capital work in progress pending capitalisation?	Yes

Please provide a description of the material projects, expected completion date and the expenditure incurred during the year [Material is defined as an amount in excess of 10 percent of total capital work in progress]

Projects	
EQUIPMENT - MATERIALS	1.078,10
CIVIL - STRUCTURES - TANKS - SERVICES	582,88
ENGINEERING-EQUIPMENT-IMPLEMENTATION	368,33
THIRD PARTY ENGINEERING	347,58
EQUIPMENT - SERVICES	334,54
CPAN128 / 17- WASTE BATTERY STABILIZATION	329,66
CIVIL - STRUCTURES - TANKS - MATERIAL	285,26
PA102-EIA_EMP MINES SAPE E GAMA	186,53
ENG. PROPRIA SIST. SILOS ALUMINUM SPEC	173,83
RPAN132 / 16 FL AND PD ENVIRONMENTAL STUDIES	149,87
ELETRICA - INSTRUMENTACION - SERVICOS	126,73
ENG. PROPRIA SIST. RESFR FORCOS CALCINA	124,94
PA HOUSE 639/18 PROJECT CHAMOTE OVEN B	73,19
ENG. PROPRIA INFRASTRUCTURE PROJECTS	71,48
CPAN: 135/18-AQ TERRENOS / CT SERVIDAO	65,54
ELECTRONICS - INSTRUMENTATION - MATERIALS	53,02
PA: 641/2018 AQUISICAO / INSTALACAO INCLINO	52,65
UP GRADE SUPERVISORY SYSTEM HI DRYER	52,21
OTHERS	147,42

Has the entity used fair value as on April 1 2015 in its opening Ind AS statement of financial position as deemed cost for an item of property, plant and equipment ? No

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

FY2019

Date: 30/04/2019
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US$'000

	Original Cost								Amortisation						Impairment							Net Book Value	
	As at 1st April 2018	Additions	Acqusition through business combinations	Reclassified as held for sale	Disposals	Borrowing cost capitalized (GNVI 8.7.1)	Exchange Adjustments	As at 31st March 2019	As at 1st April 2018	Amortisation charge	Disposals	Reclassified as held for sale	Exchange Adjustments	As at 31st March 2019	As at 1st April 2018	Impairment charge	Impairment reversal	Disposals	Reclassified as held for sale	Exchange Adjustments	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Exploration and evaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Trade name	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Technology and software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Customer related Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Favourable energy supply contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Mining rights	180,91	-	-	-	-	-	(1,28)	152,77	(0,28)	-	-	-	(0,03)	(0,31)	-	-	-	-	-	-	-	152,46	180,63
Asset Retirement Obligation Marzagão	8.082,51	-	-	-	-	-	(1.257,25)	6.825,26	(8.082,51)	-	-	-	1.257,25	(6.825,26)	-	-	-	-	-	-	-	-	(0,00)
Asset Retirement Obligation Carangola	934,66	-	-	-	-	-	(145,39)	789,27	(71,90)	(62,90)	-	-	13,37	(121,43)	-	-	-	-	-	-	-	667,85	862,77
Emission allowances																							
	8.263,42	-	-	-	-	-	(1.258,53)	7.767,30	(8.154,69)	(62,90)	-	-	1.270,59	(6.947,00)	-	-	-	-	-	-	-	820,31	1.043,40

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Inventories

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

Nature	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Raw Materials	1.563,48	532,24
Work-in-process	8.322,34	8.586,48
Finished Goods	2.727,20	3.286,58
Excise duty on Stock		-
Stock in trade	-	-
Stores and Spare-parts	473,42	540,55
Coal and Fuel	-	-
Others (specify)		
	13.086,44	**12.945,85**

Are there inventories in transit as at period end ?	Yes	Yes
Are there inventories expected to be recovered after more than 12 months ?	No	No
Are inventories pledged as security for liabilities ?	No	No
Has any inventory been written down to NRV ?	No	No
Has there been a reversal of any previous write down in the period?	Yes	Yes

Mode of Valuation Weighted Average

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Details of Material in transit		
Finished Goods, wherein risks & rewards of ownership have not passed on to customers	529,11	1.021,00

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

	Date:	30/04/2019
Trade receivables	Page:	19/33
Statement of Profit and Loss for the period ended 31st March 2019		US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Outstanding for a period exceeding six months - Past due:		
Secured, Considered Good		
Unsecured, Considered Good		
Unsecured, Considered Doubtful	247,08	105,92
Less: Provision for Doubtful Amount	(247,08)	(105,92)
	-	-
Outstanding for a period exceeding six months - Past due (FVTPL):		
Secured, Considered Good		
Unsecured, Considered Good		
Unsecured, Considered Doubtful		
Less: Provision for Doubtful Amount		
	-	
Outstanding for a period less than six months:		
Secured, Considered Good Past Due		
Unsecured, Considered Good Past Due		
Secured, Considered Good		
Unsecured, Considered Good	5.955,56	7.276,29
Unsecured, Considered Doubtful		
Less: Provision for Doubtful Amount		
	5.955,56	7.276,29
Outstanding for a period less than six months(FVTPL):		
Secured, Considered Good Past Due		
Unsecured, Considered Good Past Due		
Secured, Considered Good		
Unsecured, Considered Doubtful		
Less: Provision for Doubtful Amount		
	-	-
Related parties		
Outstanding for a period exceeding six months - Past due:		
Secured, Considered Good		
Unsecured, Considered Good		
Unsecured, Considered Doubtful		
Less: Provision for Doubtful Amount		
	-	-
Outstanding for a period less than six months:		
Secured, Considered Good Past Due		
Unsecured, Considered Good Past Due		
Secured, Considered Good		
Unsecured, Considered Good		
Unsecured, Considered Doubtful		
Less: Provision for Doubtful Amount		
	-	-
	5.955,56	7.276,29

Movement in the allowance for doubtful debts

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Balance at beginning of the period	105,92	129,69
Impairment losses recognised on receivables		
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	-
Impairment losses reversed	-	-
Foreign exchange translation gains and losses	-	-
Unwind of discount	-	-
Additional provision recognized	141,15	(23,77)
Balance at end of the period	247,08	105,92

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019 US$'000

Particulars	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Security and Judical Deposits (see note 1 below)		
Secured, Considered Good		
Unsecured, Considered Good	28,32	27,78
Doubtful		
Less:Provision for Doubtful Debt	-	-
	28,32	27,78
Total Long term Loans and Advances	28,32	27,78
Others (Please specify)		
Secured, Considered Good		
Unsecured, Considered Good (Advances recoverable in cash or kinds)	-	49,64
Doubtful		
Less:Provision for Doubtful Debt	-	-
	-	49,64
Total Short Term Loans and Advances	-	49,64

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

	Date:	30/04/2019
Cash and cash equivalents	Page:	21/33
Statement of Profit and Loss for the period ended 31st March 2019		US$'000

Cash and cash equivalents	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Cash on hand		
Cheques on hand		
Bank balances		
In current/checkin accounts	23,45	0,26
Demand deposits (less than 3 months maturity)	1.811,65	2.924,10
Short term, highly liquid investments		
Liquid mutual funds		
	1.835,10	2.924,36

Is there cash and cash equivalents held in countries where there are restrictions on remittances ? No

Are there legal and contractual restrictions currently in place which makes cash and cash equivalents not available for use in the wider Group ? No

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Bank deposits- with maturity within (3 months to 12 months)		
Restriced Cash		
Earmarked balances with banks	-	-
Balances with banks held as margin money or guarantees		
Repatriation restrictions		
	-	-

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Other assets

Statement of Profit and Loss for the period ended 31st March 2019

Other current assets US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Capital advances		
Advances other than capital advances;		
Advances to related parties		
Other advances		
Advance to suppliers	824,63	683,26
Others;		
Prepaid rent - Leasehold (un-amortised exp)		
Prepaid expenses	307,11	298,65
Export and other incentives		
Unutilized indirect tax credits	4.445,53	2.976,46
Inventories (Work in progress)		
Interest accrued on Investments and Deposits		
Derivative asset		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
Total	**5.577,26**	**3.958,37**

Other non-current assets US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Capital advances		
Advances other than capital advances;		
Advances to related parties		
Other advances		
Advance to suppliers		
Others;		
Prepaid rent - Leasehold (un-amortised exp)		
Prepaid expenses		
Export and other incentives		
Unutilized indirect tax credits	2.144,51	5.167,56
Inventories (Work in progress)		
Interest accrued on Investments and Deposits		
Derivative asset		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
[Insert IGAAP lines relcassed]		
Total	**2.144,51**	**5.167,56**

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Trade payables	6.370,28	5.910,32
Accured expense	811,02	728,31
Accured payroll	957,87	1.167,42
	8.139,16	**7.806,05**

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Borrowings - Short term

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018	Nature of security and other significant terms [GIBS 6F(ii) & Ind AS 107.31]
At amortised cost			
Secured			
From banks			
Cash Credit, Export Credit			
Bank overdraft			
From Others(Please specify)			
Cash Credit, Export Credit			
Bank overdraft			
Others (please specify)			
Bank of America for working capital purposes	-	-	Corporate Guarantee from Hindalco Industries Ltd.
	-	-	
Unsecured			
From Banks			
Buyers credit			
Packing credit			
Cash credit			
Bank overdraft			
From Others(Please specify)			
Buyers credit			
Packing credit			
Cash credit			
Bank overdraft			
Others (Bill discounting)	-	637,58	Bill discounting facility from ITAU Bank
	-	637,58	

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the QUARTER ended
31st March 2019

US$'000

	Environmental Restoration	Ind-AS 31st March 2019	Brazil tax and legal matters	Restructuring	Legal claims against the Company including revenue matters	Rehabilitation cost relating to mine	Others [Mining TFRM and ICMS tax)
Balance at the beginning of the period;	-	12.511,95					48,51
Additional provisions recognised	-	1.623,66					-
Amounts used (i.e. incurred and charged against the provision) during the period							
Reductions resulting from re-measurement or settlement without cost							
Unwinding of discount and effect of changes in discount rate		1.273,31					
Transfer to short term provision	-	(419,02)					(8,49)
Exchange rate impact	-	1.011,20					(0,40)
Others [describe]							
Others [describe]							
Others [describe]							
the carrying amount at the end of the period;	-	16.001,10	-	-	-	-	39,61

Brief description of the nature of the obligation, the expected timing of any resulting outflows of economic benefits and factors causing uncertainties and major assumptions

Environmental rehabilitation of Red Mud Pond and Carangola mines. Payments towards restoration of Red Mud Pond expected over the years FY19 to FY23 while for Carangola mines it is estimated to take place during the years FY18 to FY31

Is there any expected reimbursement ? No

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Provisions

Statement of Profit and Loss for the period ended 31st March 2019 US$'000

Non Current portion of Provisions	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Employee benefits		
Defined benefit plans		
-In India		
-Outside India		
Post-employment medical benefits		
-In India		
-Outside India		
Other long term benefits		
-In India		
-Outside India		
Others		
Environmental Restoration (Vargem mines)	-	-
Asset retirement obligation (Red Mud Pond Marzagão)	14.947,85	15.198,12
Brazil tax and legal matters		
Restructuring		
Legal claims against the Company including revenue matters		
Rehabilitation cost relating to mine		
TFRM and ICMS Tax Provision	39,61	115,54
Asset retirement obligation (Carangola Mines)	1.053,25	961,58
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
	16.040,72	16.275,24

US$'000

Current portion of Provisions	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Employee benefits		
Compensated absence		
Employee bonus and short term incentive plans		
Others		
Environmental Restoration (Vargem mines)	304,84	361,00
Asset retirement obligation		
Brazil tax and legal matters		
Restructuring		
Asset retirement obligation (Carangola Mines and Red Mud Pond Marzagão)	587,34	110,24
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
Others [describe]		
	892,18	471,23

	31st March 2019	31st Dec 2018	30th Sep 2018	30th Jun 2018	31st Mar 2018
Movement in provision for ARO Marzgao Red Mud lake (USD)					
Opening provision	11.675,67	11.510,54	12.320,64	15.198,12	12.196,35
Discount unwinding	875,18	451,17	435,30	476,47	2.007,37
Adittion	1.623,66	-	-	-	-
Transfer to short term provision	(352,26)	(750,81)	(721,15)	(1.094,90)	-
Exchange rate impact	1.125,60	464,77	(524,25)	(2.259,05)	994,40
Closing provision (long term more short term)	14.947,85	11.675,67	11.510,54	12.320,64	15.198,12
Movement in provision for ARO Carangola mines (USD)					
Opening provision	836,28	797,66	826,56	961,58	987,77
Discount unwinding	398,13	31,71	30,59	33,48	34,93
Transfer to short term provision	(66,76)	(25,29)	(24,29)	(119,44)	(8,52)
Exchange rate impact	(114,40)	32,20	(35,20)	(49,07)	(52,60)
Closing provision (long term more short term)	1.053,25	836,28	797,66	826,56	961,58

	0,00
LP	16.001,10
CP	587,34

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Other financial liabilities | Date: 30/04/2019
Statement of Profit and Loss for the period ended 31st March 2019 | Page: 28/33
Other current financial liabilities | US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Derivative Liabilities	-	-
Capital creditors		
Current maturities of long-term borrowings		
Current maturities of finance lease obligations		
Interest		
accrued not due on borrowings	-	-
accrued and due on borrowings		
Customer security deposits		
Unclaimed dividends		
Application/Call Money Received Due for Refund		
Derivative liability pending settlment		
Others [please describe]		
Total	-	-

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Movement in Reserve	Date:	30/04/2019
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Statement of Profit and Loss for the period ended 31st March 2019		US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the period	(100.793,98)	(83.366,20)
Profit/loss for the Year	(8.922,24)	(7.360,85)
Transfer to debenture redemption reserve		
Dividend paid (including dividend distrubtion tax Rs _____)		
Others [please describe]		
Others [please describe]		
Others [please describe]		
Others [please describe]		
Balance at the end of the period	(109.716,22)	(90.727,06)
Securities premium reserve		
Balance at the beginning of the period		
Premium on employee options excercised		
Premium on equity share warrants excercised		
Others [please describe]		
Others [please describe]		
Others [please describe]		
Balance at the end of the period		
Debenture redemption reserve		
Balance at the beginning of the period		
Transfer from Surplus in the Statement of Profit and Loss		
Others [please describe]		
Others [please describe]		
Others [please describe]		
Balance at the end of the period		
Foreign currency translation reserve		
Balance at the beginning of the period	(5.128,45)	(1.806,41)
Exchange difference arising on translation of the foreign operation	1,75	64,63
Income tax relating to gains arising on translating the net assets of foreign operations		
Gain/loss on hedging instruments designated in hedges of the net assets of foreign operations		
Income tax relating to gains/loss on hedge of the net assets of foreign operations		
Gain/loss reclassified on disposal of foreign operation		
Income tax relating to gain loss reclassified on disposal of foreign operation		
Gain/loss on hedging instruments reclassified on dissposal of foreign operations		
Income tax relating to gains/loss on hedging instruments reclassified on disposal of foreign operations		
Others [please describe]		
Others [please describe]		
Others [please describe]		
Balance at the end of the period	(5.126,70)	(1.741,79)

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Reserves representing unrealised gains/losses		
Cash flow hedging		
Investments revaluation equity instruments at FVTOCI		
Investments revaluation debt instruments at FVTOCI		
Foreign currency translation	(5.126,70)	(1.741,79)
	(5.126,70)	(1.741,79)
Other Reserves		
Capital Reserves		
Capital Redemption Reserve		
Securities Premium Reserve		
Debenture Redemption Reserve		
Acturial Gain/(Loss) Reserves		
Special Reserves		
Business Reconstruction reserve		
Share Options Outstanding Account		
Surplus in statement of profit and loss	(109.716,22)	(90.727,03)
General Reserve		
	(109.716,22)	(90.727,03)
Share application money pending allotment		
Others (Describe)		
Total Other Equity	(114.842,92)	(92.468,81)

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Statement of Profit and Loss for the period ended 31st March 2019

Other current liabilities US$'000

	Ind-AS 31st March 2019	Ind-AS 31st March 2018
Advance received from customer	88,34	14,76
Statutory Dues Payable	99,44	223,49
Long term incentive plan - current portion		
[other describe]		
[other describe]		
[other describe]		
[other describe]		
Current maturities of Long term debt		
Current maturities of Finance lease obligation		
Interest		
accrued not due on borrowings	-	-
accrued and due on borrowings		
Unclaimed dividends		
Application/Call Money Received Due for Refund		
Derivative Liabilities		
Liability for Capital Expenditure		
Security and other Deposits		
Other payables: Employees related liability		
[other describes]		
[other describes]		
[other describes]		
[other describes]		
	187,78	**238,26**

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

Equity Share Capital

Statement of Profit and Loss for the period ended 31st March 2019		US$'000
Equity Shares of Rs. each Redeemable Cumulative Preference Shares of Rs. each		
Issued:	**Numbers of shares**	**US$'000**
Equity Shares of Rs. each Redeemable Cumulative Preference Shares of Rs. each	422.186.939	137.062,04 137.062,04
Subscribed and Paid-up:	**Numbers of shares**	**US$'000**
Equity Shares of Rs. each fully paid-up Less: Face Value of Equity Shares forfeited Add: Forfeited Shares (Amount originally Paid-up) Less: Treasury Shares	417.173.816	135.781,16 135.781,16

Rights, Preferences and Restrictions attached to Equity Shares

Details of Shareholders holding more than 5% Equity Shares in the Company on Reporting Date

Name of the shareholder	Numbers of shares	Percentage of shareholding
AV MINERALS (NETHERLANDS) N.V.	417.173.815	100,000000%

The Company during the preceding 5 years:
i. Has not allotted shares pursuant to contracts without payment received in cash.
ii. Has not issued shares by way of bonus shares.
iii. Has not bought back any shares.

Ind AS 1.79(a)(iv)

Movement in Subscribed and Paid-up Equity Share Capital	Numbers of shares	US$'000
Equity Shares Outstanding at the beginning of the period	12.022.188	3.097,54
Equity Shares Allotted pursuant to exercise of ESOP	-	-
Equity Shares Allotted pursuant to exercise of Share Warrants		
Additional Equity Shares Allotted	(7.009.065)	(1.816,66)
Equity Share issue during the period	-	-
Equity Shares Outstanding at the end of the period	5.013.123	1.280,88

Share capital

As on 30st June 2017	91.181,22
Received in July 2017 - 7th July 2017	3.700,00
Received in September 2017 - 11th September 2017	3.100,00
	97.981,22
Received in October 2017	2.100,00
Received in November 2017	2.810,00
Received in March 2018	2.640,00
Received in February 2018	3.440,00
Received in March 2018	3.200,00
Received in May 2018	4.609,94
Received in June 2018	3.170,00
Received in July 2018	3.570,00
Impact of foreign currency	(0,00)
Total as on 30th September 2018	123.521,16
Equity infusion - USD 3.63 million as on 16.10.2018	3.630,00
Equity infusion - USD 3.74 million as on 14.11.2018	3.740,00
Equity infusion - USD 3.0 million as on 18.12.2018	3.000,00
Total as on 31st December 2018	133.891,16
Equity infusion - USD 1,89 million as on 21.02.2019	1.890,00
Total as on 31st March 2019	135.781,16

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA

HDB has the following Contingent liabilities as on 31st March 2019	Statement of Profit and Loss for the period ended 31st March 2019
Brazilian Reais (000)	US$'000
R$ 2.642	675,07

The contigent liability refers to claims from former employees & environmental claims, based on opinion of Ricardo Carneiro and BMP respectively, Lawyers representing Hindalco do Brasil

HINDALCO DO BRASIL IND. E COM. DE ALUMINA LTDA