



**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Utkal Green Energy Limited

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying (Standalone) Ind AS financial statements of Utkal Green Energy Limited ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statement").

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 Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 Ind AS financial statements under the provisions of the Companies Act, 2013 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.

**Emphasis of Matters**

*We draw attention to Note No.10 to the standalone Ind AS financial statement, where it has been mentioned that the Company has applied for strike off with the Register of Companies on 21st March, 2020.*

**Responsibilities of Management and those charged with governance for the Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, 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 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of Ind AS Financial Statement**

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

A further description of the auditor's responsibilities for the audit of the Ind AS financial statements is included in "Annexure 1". This description forms part of our auditor's report.

### **Report on Other Legal and Regulatory Requirements**


1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 purpose 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) As per the information obtained from the management we report that there are no branches of the company during the year, therefore audit of branches is not applicable.



- d) 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 and returns.
- e) 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 issued there-under;
- f) *The Matters described in "Emphasis of Matters" paragraph above may have an adverse impact on the functioning of the company.*
- g) On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There is no qualification, reservation or adverse remark found by us during our audit relating to the maintenance of accounts and other matters connected therewith.
- i) 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".
- j) 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 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bhubaneswar  
Date: 10<sup>th</sup> July, 2020

For and on behalf of  
**Sourjya & Biswajit**  
Chartered Accountants  
FRN:322779E

  
**CA. Sourjya Prakash Mohapatra**  
Partner  
M. No. 052805  
UDIN: 20052805AAAALR2174

## **“Annexure 1”**

### **Responsibilities for Audit of Financial Statement**

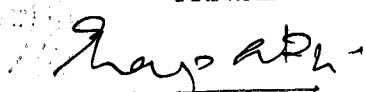
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 but not for the purpose of expressing an opinion on the effectiveness of the company’s internal financial controls system.
- 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Place: Bhubaneswar  
Date: 10<sup>th</sup> July, 2020

For and on behalf of  
**Sourjya & Biswajit**  
Chartered Accountants  
FRN:322779E  
  
**CA. Sourjya Prakash Mohapatra**  
Partner  
M. No. 052805  
UDIN: 20052805AAAALR2174

## "Annexure A" to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other legal & regulatory requirement' in our independent auditors report of even date to the members of the company on the standalone Ind AS financial statements for the year ended March 31, 2020]

- (i) (a) The company does not have any fixed assets and Capital Work in Progress during the year.  
(b) Though there is no fixed asset with the company therefore this clause is not applicable.  
(c) There are no immovable properties are held in the name of the company.
- (ii) There is no inventory with the company during the year; therefore this clause 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 Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on March 31, 2020 for a period of more than six months from the date on when they become payable.  
(b) According to the information and explanation given to us, there are no dues of income tax, Goods & Service Tax, duty of customs, Cess and other statutory dues outstanding on account of any dispute.
- (viii) The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.



- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 clause (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Place: Bhubaneswar  
Date: 10<sup>th</sup> July, 2020

For and on behalf of  
**Sourjya & Biswajit**  
Chartered Accountants  
FRN:322779E

  
**CA. Sourjya Prakash Mohapatra**  
Partner

M. No. 052805  
UDIN: 20052805AAAALR2174

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of Utkal Green Energy Limited**

[Referred to in paragraph 2 (i) under ‘Report on other legal and regulatory requirements’ in the independent auditors report of even date, to the members of the company on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March 2020]

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

We have audited the internal financial controls over financial reporting of **Utkal Green Energy Limited** (“the Company”) as of March 31, 2020 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 judgement, including the assessment of the risks of material misstatement 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 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 authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

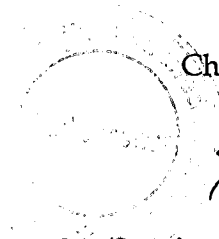
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

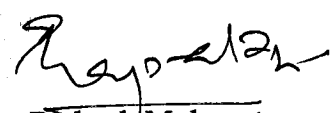
## Opinion

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

Place: Bhubaneswar  
Date: 10<sup>th</sup> July, 2020

For and on behalf of  
**Sourjya & Biswajit**  
Chartered Accountants  
FRN:322779E



  
**CA. Sourjya Prakash Mohapatra**  
Partner  
M. No. 052805  
UDIN: 20052805AAAALR2174



**UTKAL GREEN ENERGY LIMITED**  
Balance Sheet as at 31st March, 2020

(Rs. thousands)

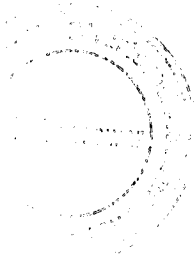
		As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Capital Work-in-Progress	2	-	-
<b>Current Assets</b>			
Financial Assets			24.51
-Cash and Cash Equivalents	3	-	
		<u>-</u>	<u>24.51</u>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	4	10,553.84	10,553.84
Other Equity		(10,553.84)	(10,579.49)
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities			41.30
- Borrowings	5	-	-
- Deposit	6	-	8.86
Other Current Liabilities			
		<u>-</u>	<u>24.51</u>
<b>Total Equity and Liabilities</b>			

Significant Accounting Policies and  
Other notes forming part of the Accounts


1 to 16

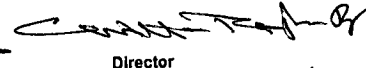
Auditors' Report to the Members  
As per our report of even date attached.  
For **Sourya & Biswajit**  
Chartered Accountants  
FRN 322779E

*Sourya Prakash Mohapatra*  
CA. Sourya Prakash Mohapatra  
Partner  
Membership No. 052805  
Place: Bhubaneswar  
Date: 10th July, 2020



For and on behalf of the board of directors

  
 Director  
**ASHOK KUMAR NAMPAL**  
 DIN- 08114116

  
 Director  
**CHITTA RANJAN RAY**  
 DIN: 00241059

# UTKAL GREEN ENERGY LIMITED

## Statement of Profit and Loss for the period ended 31st March, 2020

(Rs. thousands)

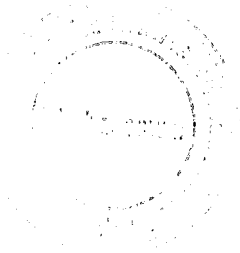
	Note	Period ended 31st March, 2020	Period ended 31st March, 2019
<b>REVENUE</b>		-	-
Revenue from operation	7	91.30	-
Other Income		-	-
<b>Total Revenue</b>		91.30	-
<b>EXPENSES</b>			825.81
Loss on disposal of assets held under Capital Work in Progress	2	0.65	1.30
Finance Cost		65.00	34.99
Other expenses	8	-	-
<b>Total Expenses</b>		65.65	862.10
<b>Profit/(loss) before Tax</b>		25.65	(862.10)
<b>Tax Expenses</b>		-	-
<b>Profit/ (Loss) after Tax</b>		25.65	(862.10)
<b>Other Comprehensive Income (net off taxes):</b>			
<b>A. Items that will not be reclassified subsequently into profit and loss</b>			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
<b>B. Items that will be reclassified subsequently to profit and loss</b>			
(i) Gain / (Loss) on remeasurement of defined benefit obligation		-	-
(ii) Income Tax relating to above		-	-
<b>Total Other Comprehensive Income net off tax</b>		-	-
<b>Total Comprehensive Income for the year</b>		25.65	(862.10)
<b>Earnings Per Equity Share</b>	13	0.02	(0.82)
Basic and Diluted Earnings Per Share (in Rupees)			

Significant Accounting Policies and  
Other notes forming part of the Accounts

1 to 16

Auditors' Report to the Members  
As per our report of even date attached.  
For Sourya & Biswajit  
Chartered Accountants  
FRN 322779E

*Prakash Mohapatra*  
CA Sourya Prakash Mohapatra  
Partner  
Membership No. 052805  
Place: Bhubaneswar  
Date: 10th July, 2020



For and on behalf of the board of directors

*Ashok Kumar Nayak*  
Director  
ASHOK KUMAR NAYAK  
DIN:- 08114116

*Chitta Ranjan Ray*  
Director  
CHITTA RANJAN RAY  
DIN:- 00241059

**UTKAL GREEN ENERGY LIMITED**

**Statement of Changes in Equity**

A. Equity Share Capital		(Rs. thousands)	
Balance at the beginning	Changes in Equity Share Capital during the period		Balance at the end
As at 1st April, 2018	As at 1st April, 2019	April-March-2019	April-March-2020
	As at 31st March, 2019		As at 31st March, 2020
10,553.84	10,553.84	-	10,553.84

Particulars	Reserves and Surplus	
	Retained Earnings	Total
<b>Balance as at 1st April, 2018</b>	<b>(9,717.39)</b>	<b>(9,717.39)</b>
Profit / (Loss) for the period April-March, 2019	(862.10)	(862.10)
Other comprehensive income (net of tax) for the period April-March, 2019	-	-
<b>Balance as at 31st March, 2019</b>	<b>(10,579.49)</b>	<b>(10,579.49)</b>
Profit / (Loss) for the period April-March, 2020	25.65	25.65
Other comprehensive income (net of tax) for the period April-March, 2020	-	-
<b>Balance as at 31st March, 2020</b>	<b>(10,553.84)</b>	<b>(10,553.84)</b>

**B. Other Equity**

Significant Accounting Policies and Other notes forming part of the Accounts

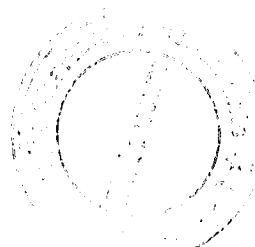
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As per our report of even date attached.  
For Sourya & Biswajit  
Chartered Accountants  
FRN 322779E

*Sourya & Biswajit*  
CA. Sourjya Prakash Mohapatra  
Partner  
Membership No. 052805  
Place: Bhubaneswar  
Date: 10th July, 2020

For and on behalf of the board of directors

*Ashok Kumar Nayak*  
Director  
ASHOK KUMAR NAYAK  
DIN:- 08114116

*Chitta Ranjan Ray*  
Director  
CHITTA RANJAN RAY  
DIN:- 00241059



# UTKAL GREEN ENERGY LIMITED

## Statement of Cash Flow for the year ended 31st March, 2020

(Rs. thousands)

	Year ended 31st March, 2020	Year ended 30th September, 2018
<b>A. Cash Flow From Operating Activities</b>		
Net profit/ (loss) before tax	25.65	(862.10)
<b>Adjustments for :</b>		
Finance Cost	0.65	-
Operating profit before working capital changes	26.30	(862.10)
<b>Adjustments for :</b>		
(Increase) / Decrease in receivable	-	-
Increase / (Decrease) in other liabilities	(8.86)	0.00
Cash generated from operations	17.44	(862.10)
Direct taxes paid	-	-
<b>Net Cash Generated From / (Used In) Operating Activities</b>	17.44	(862.10)
<b>B. Cash Flow From Investing Activities</b>		
Sale/(purchase) of fixed assets including CWIP	-	-
<b>Net Cash Generated From / (Used In) Investing Activities</b>	-	-
<b>C. Cash Flow From Financing Activities</b>		
Proceeds/(Repayment) of short term borrowings	(41.30)	-
Finance Cost	(0.65)	-
<b>Net Cash Generated From / (Used In) Financing Activities</b>	(41.95)	-
Net increase / (decrease) In Cash and Cash Equivalents (A+B+C)	(24.51)	(862.10)
Cash and Cash Equivalents - Opening Balance	24.51	19.50
Cash and Cash Equivalents - Closing Balance	-	(842.60)

**Explanation :**

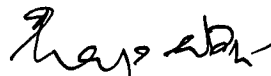
1. The above Statement of Cash Flow has been prepared under the indirect method as set out in the Indian Accounting Standard 7 'Statement of Cash Flow'.

2. Cash & Cash equivalents are represented by :  
In Current account

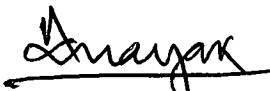
	24.51
	24.51

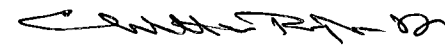
3. Previous year's figures have been regrouped/ rearranged to confirm to the classification of the current year, wherever considered necessary

**For Sourya & Biswajit**  
Chartered Accountants  
FRN 322779E

  
CA. Sourya Prakash Mohapatra  
Partner  
Membership No. 052805  
Place: Bhubaneswar  
Date: 10th July, 2020

For and on behalf of the board of directors

  
Director  
ASHOK KUMAR NAYAK  
DIN:- 08114116

  
Director  
CHITTA RANJAN RAY  
DIN:- 00241059

## NOTES TO FINANCIAL STATEMENTS

Utkal Green Energy Limited is a Public Limited Company incorporated in India. The Company's registered office is at IMFA Building, Bhubaneswar, Odisha.

### Note 1 - Significant Accounting Policies

#### 1.1 Basis of preparation of Financial Statements

##### a) Compliance statement

The financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions thereof as amended. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

##### b) Historical cost convention

The financial statements are prepared on historical cost convention basis.

##### c) Functional and presentational currency

The financial statements are prepared in Indian Rupee (INR) which is the functional currency.

##### d) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.

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## 1.2 Inventories

- a) Raw materials, stores, spares etc. have been consistently valued at cost. Slow moving and dead stocks are reduced to their estimated value. There is no such inventory at the end of the year.
- b) Finished goods have been consistently valued at cost or net realisable value whichever is less. There is no finished goods at the end of the year.

## 1.3 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest income on Fixed Deposit is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable. There is no revenue recognised during the year.

## 1.4 Financial instruments

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

Financial assets and liabilities are recognized at fair value. Transaction costs that are directly attributable to the acquisition (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.



- Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

The Company's financial asset includes Investment in Equity instrument, Cash and cash equivalent, deposits and receivables.

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Company does not hold any derivative financial instruments.

The Financial assets are tested for impairment and the loss allowance if any are recognized in the statement of profit and loss. The Company uses the expected credit loss model to test impairment if any.

#### **1.5 Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **1.6 Property, Plant and Equipment**

Property, Plant and Equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises of the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. The Company has no tangible assets.

Capital work-in-progress comprises of properties that are not yet ready for their intended use at the reporting date and are in the process of being constructed / acquired / developed, as the case may be. Cost, as aforesaid, includes development

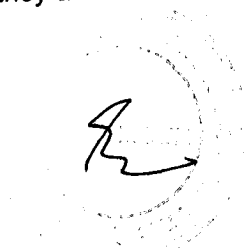
and other expenses, including financing cost related to borrowed funds and the same is allocated / apportioned to the respective properties on completion of the construction / acquisition / development of the capital project / property, plant and equipment. Indirect expenditure incurred during the construction, acquisition or development activity is transferred to capital work-in-progress, to the extent it is related to construction, acquisition or development activity or is incidental thereto. The rest is charged to the Statement of Profit and Loss.

Depreciation/ Amortisation on Property, Plant and Equipment is provided on Written Down Value Method ('WDV'), which reflects the management's estimate of the useful lives of the respective fixed assets. Useful life as specified in the Schedule II to the Companies Act, 2013 has been adopted by the Company as it reflects best the management's estimates. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Since the Company does not have any tangible assets, no depreciation has been provided.

Property, Plant and Equipments are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount. There is no such incidence during the year.

#### 1.7 Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the prevailing exchange rate between the reporting currency and the foreign currency, as on the date of the transaction. Year end foreign currency monetary items are reported using the year end rate. Exchange differences arising on the settlement or reporting of monetary items, at rates different from those at which they were initially recorded during the year or reported in previous financial statements and / or on conversion of monetary items, are recognised as income or expense in the year in which they arise. There is no foreign currency transaction undertaken during the year.

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## 1.8 Earnings per share

Basic Earnings per share is calculated by dividing the net profit or loss for the period, attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

## 1.9 Taxes on Income

Tax expense comprises of current tax [net of Minimum Alternate Tax (MAT) credit entitlement] and deferred tax.

- a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961. Current Income Tax relating to items recognised outside profit or loss is recognised outside profit or loss in other comprehensive income.
- a) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 liabilities and assets 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 end of the reporting period.

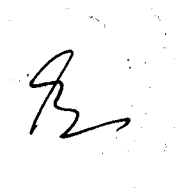
## 1.10 Segment reporting

There is/are no reportable segment (business and /or geographical) in accordance with the requirements of Indian Accounting Standard 108 – 'Operating Segments' as the Company's activities during the year revolved around setting up of its biodiesel project.

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### 1.11 Provision and Contingent Liabilities

A provision is recognised when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent Liabilities are not recognized but are disclosed by way notes to financial statements.

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**NOTES TO FINANCIAL STATEMENTS**

**Note No 2 - Capital Work-in-progress**

(Rs. thousands)

Particulars	Capital Work-in-progress	
	Bio Diesel Project	Total
<b>Gross Carrying Amount</b>		
Deemed Cost as at 1st April, 2018	825.81	825.81
Additions/ Adjustments during the period April-March, 2019	-	-
Disposals / Adjustment during the period April-March, 2019	825.81	825.81
<b>Closing Gross Carrying Amount as at 31st March, 2019</b>	-	-
Additions/ Adjustments during the period April-March, 2020	-	-
Disposals / Adjustment during the period April-March, 2020	-	-
<b>Closing Gross Carrying Amount as at 31st March, 2020</b>	-	-
<b>Accumulated Depreciation</b>		
As at 1st April, 2018	-	-
Depreciation/ Amortisation for the period April-March, 2019	-	-
Disposals / Adjustments during the period April-March, 2019	-	-
<b>As at 31st March, 2019</b>	-	-
Depreciation/ Amortisation for the period April-March, 2020	-	-
Disposals / Adjustments during the period April-March, 2020	-	-
<b>As at 31st March, 2020</b>	-	-
<b>Net Carrying Amount as on 31st March, 2020</b>	-	-
<b>Net Carrying Amount as on 31st March, 2019</b>	-	-



**NOTES TO FINANCIAL STATEMENTS**

Note 3 Cash and Cash equivalent	(Rs. thousands)	
	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks	-	24.51
- In Current Accounts	-	-
Cash in Hand	-	-
	<u>-</u>	<u>24.51</u>

Note 4 (a) Share Capital	(Rs. thousands)	
	As at 31st March, 2020	As at 31st March, 2019
<b>Authorised</b>		
Share Capital	<u>11,000.00</u>	<u>11,000.00</u>
11,00,000 Equity Shares of Rs.10/- each (Previous Year 10,00,000 Equity Shares of Rs.10/- each)		
<b>Issued</b>		
10,55,384 Equity Shares of Rs.10/- each fully paid-up (Previous Year 10,55,384 Equity Shares of Rs.10/- each)	<u>10,553.84</u>	<u>10,553.84</u>
<b>Subscribed and Paid-up</b>		
10,55,384 Equity Shares of Rs.10/- each fully paid-up (Previous Year 10,55,384 Equity Shares of Rs.10/- each)	<u>10,553.84</u>	<u>10,553.84</u>
	<u>10,553.84</u>	<u>10,553.84</u>

**4 (b) Disclosure on movement of shares**

Particulars	Equity Shares			
	As at 31st March, 2020		As at 31st March, 2019	
	No of share	(Rs. thousands)	No of share	(Rs. thousands)
i. Shares outstanding at the beginning of the year	1,055,384	10,553.84	1,055,384	10,553.84
ii. Shares issued during the period	-	-	-	-
iii. Shares bought back during the period	-	-	-	-
iv. Shares outstanding at the end of the period	1,055,384	10,553.84	1,055,384	10,553.84

**4 (c) Disclosure on more than 5% shareholding**

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares	%	No of shares	%
IMFA Ltd (Holding Company)	1,055,384	100	1,055,384	100

**NOTES TO FINANCIAL STATEMENTS**

		(Amount in Rs.)	
		As at	As at
		31st March, 2020	31st March, 2019
<b>Note 5</b>	<b>Borrowings</b>		
	Unsecured	-	41.30
	- From Related Parties	-	41.30
		<u>-</u>	<u>41.30</u>
		(Rs. thousands)	
		As at	As at
		31st March, 2020	31st March, 2019
<b>Note 6</b>	<b>Other Current Liabilities</b>		
	Other Liabilities	-	8.86
		<u>-</u>	<u>8.86</u>
		(Rs. thousands)	
		Year ended	Year ended
		31st March, 2020	31st March, 2019
<b>Note 7</b>	<b>Other Income</b>		
	Liability no longer required written back (Loan and interest from IMFA)	91.30	-
		<u>91.30</u>	<u>-</u>
		(Rs. thousands)	
		Year ended	Year ended
		31st March, 2020	31st March, 2019
<b>Note 8</b>	<b>Other expenses</b>		
	Administrative		
	Rent	28.47	23.41
	Filing & Registration Fee	8.85	8.85
	Auditors' Remuneration and Expenses( Refer Note No. 9)	27.68	2.73
	Miscellaneous Expenses	65.00	34.99
		<u>65.00</u>	<u>34.99</u>
		(Rs. thousands)	
		Year ended	Period ended 31st
		31st March, 2020	March,2019
<b>Note 9</b>	<b>Payment to Auditors</b>		
	Statutory Audit Fees	8.85	8.85
		<u>8.85</u>	<u>8.85</u>

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## NOTES TO FINANCIAL STATEMENTS

**Note 10** The Company has applied for strike off with the Register of Companies on 21st March, 2020.

**Note 11 Managerial remuneration**

There was no managerial remuneration paid/payable to the directors for the period ended 31st March, 2020 (Previous period: Rs. Nil).

**Note 12 Financial Instruments**

The Carrying value and fair value of Financial Instruments by Categories as of 31st March, 2020

Particulars	Amortised Cost	Financial assets / liabilities at fair		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
(Rs. thousands)					
<b>Assets:-</b>					
Cash and Cash Equivalents	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Liabilities:-</b>					
Current Financial Liabilities - Borrowings	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

The Carrying value and fair value of Financial Instruments by Categories as of 31st March, 2019

Particulars	Amortised Cost	Financial assets / liabilities at fair		Total Carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
(Rs. thousands)					
<b>Assets:-</b>					
Cash and Cash Equivalents	24.51	-	-	24.51	24.51
<b>Total</b>	24.51	-	-	24.51	24.51

**Fair value hierarchy**

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair valuation hierarchy is not applicable on the Financial asset and liabilities in the Company.

**Financial Risk Management**

The Company's major financial instruments are Cash and Cash equivalents and Borrowings. The risk associated with these financial instruments is credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

**Credit risk:-** Credit risk refers to the risk that counterparties will default on its contractual obligations resulting to the financial loss to the Company. The Company's credit risk is attributable to bank balance. The credit risk attributable to bank balance is limited because the banks are of repute with high credit rating assigned.

**Liquidity risk:** The Company has enough liquidity to meet its obligations and backed by its holding company. Hence, no such risks are envisaged.

**Capital Risk Management**

The Company reviews its capital structure atleast annually to ensure that the Company will be able to continue as a going concern. The capital structure of the company comprises of Share Capital and Other Equity. The management reviews the capital structure on an annual basis to balance its overall capital structure.

**Note 13 Earnings per Equity Share**

Particulars	(Figures in rupees except number of shares)	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit/(Loss) after tax attributable to Equity Shareholders	25.65	(862.10)
Weighted average number of Equity Shares	1,055,384	1,055,384
Nominal Value of Equity per share	10	10
Basic Earnings per share	0.02	(0.82)
Diluted Earnings per share	0.02	(0.82)

**Note 14 - Related Party Disclosures**

**a) Particulars of related parties where control exists:**

Enterprises that directly, or indirectly, through one or more Intermediaries, control the reporting enterprise:	
Ultimate holding entity	: B. Panda Trust (through Mr. Subhrakant Panda Trustee)
Holding Company	: Indian Metals and Ferro Alloys Limited

**b) Particulars of other related parties:**

**i. Enterprises that directly, or indirectly, through one or more Intermediaries, are under common control with the reporting enterprise:**

Fellow subsidiaries	: Utkal Power Limited
	: IMFA Alloys Finlease Limited
	: Indmet Mining Pte. Ltd., Singapore
	: Utkal Coal Limited
	: PT. Sumber Rahayu Indah, Indonesia

**ii. Key Management Personnel :**

Directors/Additional Directors	: Chitta Ranjan Ray
	: Prem Khandelwal
	: Ashok Kumar Nayak


**c) The following is the summary of transactions with related parties:**

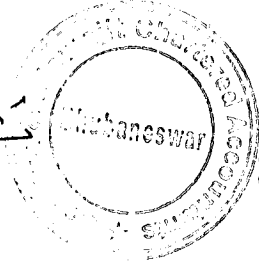
Nature of transactions	(Rs. thousands)	
	Period Ended 31st March, 2020	Period Ended 31st March, 2019
<b>Proceeds from Issue of Equity Statement</b>		
Indian Metals and Ferro Alloys Limited	-	-
<b>Proceeds From Unsecured loan</b>		
Indian Metals and Ferro Alloys Limited	50.00	40.00
<b>Repayment of Unsecured Loan</b>		
Indian Metals and Ferro Alloys Limited	-	-
<b>Interest paid on Unsecured Loan</b>		
Indian Metals and Ferro Alloys Limited	-	1.30
<b>Amount written back</b>		
Indian Metals and Ferro Alloys Limited	91.30	
<b>Outstanding Balance</b>		
Indian Metals and Ferro Alloys Limited	-	41.30

Note 15 There are no contingent liabilities or assets to report at the end of the year.

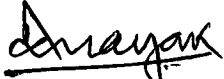
Note 16 Previous year figures have been regrouped / rearranged to conform to the classification of the current year, wherever considered necessary.

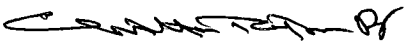
For Sourya & Biswajit  
Chartered Accountants  
FRN 322779E

  
CA. Sourya Prakash Mohapatra  
Partner  
Membership No. 052805  
Place: Bhubaneswar  
Date: 10th July, 2020



For and on behalf of the board of directors

  
Director  
ASHOK KUMAR NAYAK  
DIN: 08114116

  
Director  
CHITTA RANJAN RAY  
DIN: 00241059