

UTKARSHA ALUMINIUM DHATU NIGAM LIMITED

*(A Joint Venture Company of National Aluminium
Company Limited and Mishra Dhatu Nigam Limited)*

ANNUAL REPORT 2019-20

Registered Office:

C/o. Mishra Dhatu Nigam Limited, P.O.- Kanchanbagh, Hyderabad, Telangana – 500058
CIN: U14299TG2019PLC134932

BOARD OF DIRECTORS:

- Shri Sridhar Patra, Part-time Non-executive Chairman (w.e.f.10.02.2020)
- Dr. S. K. Jha, Director & Chief Executive Officer
- Shri S. K. Patel, Director
- Shri Debasish Dutta, Director (w.e.f. 28.08.2020)

CHIEF FINANCIAL OFFICER:

Shri Madhusudan Ray (w.e.f. 12.08.2020)

OFFICIATING COMPANY SECRETARY:

Shri Gautam Kr. Singh

STATUTORY AUDITORS:

M/S. Hari Agarwal & Associates,
Chartered Accountants

Head Office:

#5-9-58/304, Gupta Estates,
Basheerbagh, Hyderabad – 500004
E-mail: bboffice@haacas.com
Email: hariagarwal1987@yahoo.in
Website: www.haacas.com

BANKERS:**State Bank of India**

Branch Name:
Chandrayanagutta
PO Kanchanbagh,
Hyderabad-500058.

HDFC Bank

Branch Name: Santosh
Nagar Colony
Hyderabad -500079.

ICICI Bank

Branch Name: Hyderabad,
Khairatabad,
Hyderabad -500004.

REGISTRAR & SHARE TRANSFER AGENT:

KFin Technologies Private Limited
Selenium (Tower B), Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032 - TELANGANA
Phone: 040-6716-1507
E-mail: mulkala.raju@kfintech.com

REGISTERED OFFICE:

C/o. Mishra Dhatu Nigam Limited,
P.O. - Kanchanbagh, Hyderabad,
Telangana – 500058

PROJECT SITE:

Utkarsha Aluminium Dhatu Nigam Limited (UADNL)
(A Joint Venture of MIDHANI and NALCO)
Industrial Park, Bodduripalem,
Kodavallu Mandal,
SPSR Nellore District
Andhra Pradesh - 524316

1st ANNUAL REPORT FOR 2019-20 OF UTKARSHA ALUMINIUM DHATU NIGAM LIMITED

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NOTICE FOR 1st ANNUAL GENERAL MEETING

NOTICE IS HEREBY given that the 1st (First) Annual General Meeting (AGM) of the Shareholders of **UTKARSHA ALUMINIUM DHATU NIGAM LIMITED** will be held on **Monday, the 19th October, 2020 at 12:30 p.m.** at a shorter notice through Video Conferencing ("VC")/ Other Audio Visual means ["OAVM"] to transact the following Ordinary Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2020 including Balance Sheet as at 31st March, 2020, Statement of Profit & Loss, Statement of Change in Equity and Cash Flow Statement for the year ended on 31st March, 2020 and, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri S. K. Patel (DIN: 08542391), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To ratify, approve and fix remuneration of the Statutory Auditors:

"RESOLVED THAT, pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the Company being a deemed Government Company, M/s. Hari Agarwal & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company by the Comptroller and Auditor General of India for the FY 2019-20."

"FURTHER RESOLVED THAT, the remuneration of Rs.60,000/- (excluding taxes) paid to M/s. Hari Agarwal & Associates, Chartered Accountants as auditors fees for the FY 2019-20 be and is hereby ratified and approval be and is hereby accorded for payment of remuneration of Rs.60,000/- (excluding taxes) paid to M/s. Hari Agarwal & Associates, Chartered Accountants as auditors fees for the FY 2020-21."

"FURTHER RESOLVED THAT, Board of Directors be and is hereby authorised to fix the remuneration to be paid as auditors fees to Statutory Auditors for financial years 2021-22 onwards."

SPECIAL BUSINESS:

4. **To appoint Shri Sridhar Patra (DIN: 06500954) as Director and Part-time Non-executive Chairman of the Company:**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without modification(s):

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 and the Rules made thereunder, Shri Sridhar Patra (DIN: 06500954), appointed as an Additional Director by the Board of Directors with effect from 10.02.2020 to hold office until the date of this Annual General Meeting in terms of

Section 161 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to Article 58 (viii)(a) of the Articles of Association of the Company Shri Sridhar Patra be and is hereby appointed as Part-time Non-executive Chairman of the Company in place of Dr. T. K. Chand, for the balance period of three years term to be reckoned w.e.f. 10.02.2020 in line with Article 58(viii)(a) of the Articles of Association of the Company.”

5. To appoint Shri Debasish Dutta (DIN:08834367) as Director of the Company:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without modification(s):

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 and the Rules made thereunder, Shri Debasish Dutta (DIN:08834367), appointed as an Additional Director by the Board of Directors with effect from 28.08.2020 to hold office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

6. To amend Article of Association of the Company:

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

“RESOLVED THAT pursuant to the relevant provisions of the Companies Act, 2013, Article 74(ii) be and is hereby amended, as detailed below:

“The CEO shall be responsible for the day-to-day functional management and operations of the JVC and compliance of statutory and other requirements as prescribed under the Act and laws of the land. The CEO and CFO shall function subject to the supervision and control of the Board. CEO shall be member of the Board and he/she shall always be nominated and appointed by the Board. The CFO shall report to the CEO. CEO shall report to the Chairman of the JVC. Company Secretary will report to the Chairman”.

By Order of the Board
For Utkarsha Aluminium Dhatu Nigam Limited

Sd/-
(S. K. Patel)
Director
DIN: 08542391

Place: Bhubaneswar
Date: 19.10.2020

NOTES:

1. Due to the outbreak of COVID-19 pandemic, gathering of people at a single place has been restricted for social distancing. Hence, the Ministry of Corporate Affairs, Government of India ("MCA") has allowed companies to conduct Annual General Meetings ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") during the calendar year 2020, without the physical presence of Members. This also addresses the health and safety of the Members. This 1st AGM of the Company is being convened in compliance with applicable provisions of the Act and the Rules made thereunder; the provisions of General Circular dated 5th May, 2020 read with General Circular dated 8th April, 2020 and dated 13th April, 2020 issued by the MCA.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of Item nos. 3 to 4 of the Notice set out above, is annexed hereto.
3. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at C/o. Mishra Dhatu Nigam Limited, P.O.- Kanchanbagh, Hyderabad, Telangana – 500058 which shall be the venue of the AGM. The route map for the venue of the AGM is therefore not attached.
5. Generally, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, physical attendance of Members is dispensed with and consequently, the facility for appointment of proxies is not applicable. Hence proxy forms and attendance slips are not annexed to this Notice.
6. In accordance with the provisions of the Companies Act, 2013 and Secretarial Standard-II on General Meetings, the consents of all shareholders have been received to hold the 1st AGM of the Company at shorter notice.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

Item No.3:

On request of the Company, Comptroller & Auditor General (C&AG) vide their letter no. CA.V/COY/CENTRAL GOVERNMENT, UADNL (1)/1780 dated 09.10.2019 appointed M/s. Hari Agarwal & Associates, Hyderabad as first Statutory Auditors of the Company for the financial year 2019-20 with an audit fees of Rs.60,000/- (excluding taxes).

Further, for the year 2020-21, the Comptroller and Auditor General of India (C&AG) vide letter CA.V/COY/CENTRAL GOVERNMENT.UADNL (1)/654 dated 20-08-2020 has extended the appointment of M/s. Hari Agarwal & Associates for the year 2020-21 as the Statutory Auditors of the Company and M/s. Hari Agarwal & Associates, have expressed their willingness to take up the Statutory Audit of Utkarsha Aluminum Dhatu Nigam Limited for the financial year 2020-21 at a same remuneration of Rs.60,000/- plus taxes which was paid for the year 2019-20.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 3 of the Notice.

M/s. Hari Agarwal & Associates, Chartered Accountants does not hold any share in the Company. The Board recommends the Ordinary Resolution set out at Item no. 3 of the Notice for approval by the shareholders.

Item No.4:

NALCO vide letter no. NALCO/UADNL JVC/2020-21/001 dated 29.04.2020 informed that the Board of Directors of NALCO in their 320th meeting held on 10.02.2020 have approved nomination of Shri Sridhar Patra, CMD, NALCO as Part-time Non-executive Chairman to the Board of Utkarsha Aluminium Dhatu Nigam Limited in place of Dr. T. K. Chand, for the balance period of three years term to be reckoned from the day, NALCO CMD assumed the position in line with Article 58(viii)(a) of the Articles of Association of the Company.

Pursuant to Article 58 (viii)(a) of the Articles of Association of the Company Shri Sridhar Patra was appointed as Part-time Non-executive Chairman (Additional Director) of the Company in place of Dr. T. K. Chand, for the balance period of three years term to be reckoned w.e.f. 10.02.2020 in line with Article 58(viii)(a) of the Articles of Association of the Company.

Born on 12.10.1964, Shri Patra is a member of Institute of Chartered Accountants of India and rank holder graduate in Commerce from Utkal University. Shri Patra is a seasoned Finance & Accounts Professional with results-driven and team oriented leadership and have demonstrated commitment to organizational growth. He has over three decades of experience in finance and accounts functions of various Public Sector Undertaking like Odisha Mining Corporation Ltd., Indian Rare Earths Ltd. and Mangalore Refinery & Petrochemicals Ltd (A subsidiary of ONGC Ltd.) with exposure in Corporate Accounts, Budgetary Control, Direct & Indirect Tax Management, Strategic Financial & Business Planning, Financial evaluation of Contracts, Cost Excellence and

Treasury function. Shri Patra has contributed significantly as an academican to professional accounting institutions apart from his employment in PSUs.

Shri Sridhar Patra may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding, if any in respect of his appointment as a Director.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice.

Shri Sridhar Patra does not hold any share in the Company. The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for approval by the shareholders.

Item No.5:

As per Article 58(i) of the Articles of Association of Company, “the number of Directors shall not be less than four and not more than twelve” and as per Article 58(ii) of the Articles of Association of Company “Directors on the Board of JVC shall be nominated by Parties in the ratio of their respective shareholdings in the JVC provided that neither party shall be entitled to nominate a Director if its shareholding is reduced below 6% of the paid-up capital of the JVC”.

At present both the promoters’ shareholding i.e. National Aluminium Co Ltd (NALCO) and Mishra Dhatu Nigam Limited (MIDHANI) is in the ratio of 50:50.

Hence, MIDHANI had proposed the nomination of Shri Debasish Dutta, General Manager (Projects) of the Company for appointment as a Director on the Board of Utakarsha Aluminium Dhatu Nigam Limited. Pursuant to Section 161 of the Companies Act, 2013 and Article 58 of the Articles of Association of the Company, Shri Debasish Dutta, General Manager (Projects), MIDHANI (nominated by MIDHANI) was appointed as an Additional Director of the Company w.e.f. 28.08.2020 to hold office till this Annual General Meeting.

Before appointment of Shri Debasish Dutta as Additional Director, the Board of Directors comprised of only three Directors i.e. two Directors nominated by NALCO (Shri Sridhar Patra, CMD, NALCO and Shri S. K. Patel, ED(P&T)-I and one by MIDHANI (Dr. S. K. Jha, CMD, MIDHANI).

Shri Debasish Dutta is associated with MIDHANI since 2013 and is currently designated as General Manager (Projects). He has successfully completed projects related to the modernization of plant facilities like 6000T Forge Press, 20T EAF-LRF-VD/VOD and other Re-heating, Heat Treatment and Refining Furnaces. Presently looking after Rs.470 Crores Wide Plate Mill projects along with other expansion / up-gradation projects”.

Shri Debasish Dutta may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding, if any in respect of his appointment as a Director. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested,

financially or otherwise, in the resolution set out at Item no. 5 of the Notice.

Shri Debasish Dutta holding 2 (Two) equity shares of the Company. The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for approval by the shareholders.

Item No.6:

The Article 74(ii) of the Articles of Association provides for appointment of CEO and CFO as member of the Board.

The extracts of the Article 74(ii) is as under:

“The CEO shall be responsible for the day-to-day functional management and operations of the JVC and compliance of statutory and other requirements as prescribed under the Act and laws of the land. The CEO and CFO shall function subject to the supervision and control of the Board. CEO and CFO shall be member of the Board and they shall always be nominated and appointed by the Board. The CFO shall report to the CEO through Chairman. CEO shall report to the Chairman of the JVC, who shall be a professional of high repute. Company Secretary will report to the Chairman”.

Shri Madhusudan Ray has been appointed as CFO w.e.f. 12.08.2020 as per the requirement under Section 203 of the Companies Act, 2013 i.e. as Key Managerial Personnel. It is proposed to maintain the position as CFO as one of the Key Managerial Personnel of the Company as required under Companies Act, 2013.

In connection with above, it is proposed to amend the Article 74(ii) by deleting the words “and CFO” as under:

“The CEO shall be responsible for the day-to-day functional management and operations of the JVC and compliance of statutory and other requirements as prescribed under the Act and laws of the land. The CEO and CFO shall function subject to the supervision and control of the Board. CEO shall be member of the Board and he/she shall always be nominated and appointed by the Board. The CFO shall report to the CEO. CEO shall report to the Chairman of the JVC. Company Secretary will report to the Chairman”.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 6 of the Notice.

The Board recommends the Special Resolution set out at Item no. 6 of the Notice for approval by the shareholders.

By Order of the Board
For **Utkarsha Aluminium Dhatu Nigam Limited**
Sd/-
(S. K. Patel)
Director
DIN: 08542391

Place: Bhubaneswar
Date: 19.10.2020

DIRECTOR'S REPORT

To,

The Members,
UTKARSHA ALUMINIUM DHATU NIGAM LIMITED
Hyderabad

Your Directors have great pleasure in presenting before you the 1st Annual Report of your Company together with the Audited Financial Statements for the year ended on 31st March 2020 and the report of the Auditors' thereon.

1.0 PERFORMANCE AND FINANCIAL RESULTS:

The financial statements have been prepared in accordance with "Ind AS" as notified under the Companies (Indian Accounting Standard) Rules, 2015.

Since the project is on the stage of implementation, there was no business operation during the year. The details of other income and expenditure during the year considered in Profit & Loss Account are furnished below:

(Rs. in lakhs except EPS)

Particulars	For the year 2019-20
Revenue from Operations	Nil
Other Income	Nil
Total Income	Nil
Less: Other expenses	360.37
Profit / (Loss) before Depreciation, Exceptional items and Tax Expense	(360.37)
Less: Depreciation and amortization expenses	3.24
Profit / (Loss) before Exceptional items and Tax Expense	(363.61)
Add / (Less): Exceptional Items	Nil
Profit / (Loss) Before Tax Expense	(363.61)
Less: Tax Expense (Deferred Tax)	(38.11)
Profit / (Loss) for the year	(325.50)
Other Comprehensive Income / (Loss)	Nil
Total income for the period	(325.50)
Earnings Per Share (EPS)	(0.81)

2.0 DIVIDEND & GENERAL RESERVE:

The Board of Directors does not recommend any dividend for the FY 2019-20 and no amount has been transferred to General Reserve for the FY 2019-20.

3.0 DETAILED PROJECT REPORT (DPR):

- The salient indices of the project are as follows:
 - Capacity: 60,000 TPA
 - Project Completion: 36 Months
 - Manpower: Direct : 380 people; Contract: 50 people

- Land: 110 acres (land acquired at Nellore, AP)
- Project Cost (Gross): Rs. 4542 Crore (approx.)
- Debt : Equity ratio – 70:30, JV partner Equity – 50: 50
- Estimated revenues (3rd yr. onwards): Rs.2000 Crore

- Market demand forecast for Total Aluminium FRPs is about 1.34 million TPA, inclusive of the demand forecast for high end Aluminium Alloy FRP of about 252K TPA by 2026-27. The details of Aluminium Flat Rolled Product (FRP) demand- Supply, Gap is as under:

Year	2016-17	2021-22	2026-27
Domestic demand ['000 TPA]	656.86	940.55	1339.50
Domestic Supply ['000 TPA]	484.08	696.81	998.86
Deficit ['000 TPA]	172.77	243.74	340.64

- Proposed JV Company targets only 60K TPA that constitutes around 24% of the demand for High End Aluminium Alloy FRP in various sectors like Automotive, Railways, Defence & Aerospace, machinery & Equipment & Other industrial sectors. This facility can also substitute imports. The Sector wise Market Opportunity for Aluminium Alloy FRP is as under:

Sector	2016-17 (Estimate)	2021-22 (forecast)	2026-27 (forecast)	JV Co. Estimates by 2026-27	JV Co. Market Share
Transportation	60	110	165	43	26 %
Industrial	10	16	24	7	30%
Defence	2	3	5	3	50%
Others	4	6	9	2	20%
Exports	7	21	46	5	10 %
Total demand for high end Al Alloy FRP (including exports)	85	158	252	60	24

- Land:** 110 acres of land has been allotted to MIDHANI at Nellore, AP, the activities like Land survey, soil testing and construction of boundary wall is completed.
- With a Sales price based on 20% markup on the cost of production, the proposed project with targeted capacity of 60K TPAs is commercially viable with **IRR: 16.08% (post-tax), PB: 7.4 yrs and NPV: Rs. 368.37 Crore.** Interest is considered on the long term loan at 11.45%
- Further, JV project is reviewed and evaluated considering the resource requirement for future expansion to 120K TPA from 60K TPA. It is found that additional CAPEX of about Rs. 1485 Crore will be required to double the production capacity from 60K TPA and financials are likely to improve to IRR: 21% (post- tax), PB: 5.2yrs & NPV: Rs. 1917.30 Crore.
- The following technological facilities are envisaged:

- Raw Material storage and handling
- Melting and alloy making facility
- Vertical direct chill casting
- Homogenising, slab scalping and sawing
- Hot and cold rolling facilities
- Thermal treatment facilities
- Other auxiliary facilities

4.0 FINANCING OF THE PROJECT:

Sourcing of equity fund and debt is proposed as below:

Sl. No	Source	Rs. in Crore	Percentage
1	Debt	3,179	70
2	Equity	1,363	30
Total		4,542	100

5.0 SHARE CAPITAL:

5.1 Authorised Share Capital:

During the year under review, there has been no change in the authorized share capital of the Company.

5.2 Paid-up share capital:

During the year, your Company was incorporated with an initial paid-up share capital of Rs.20 crores (2,00,00,000 equity shares of Rs.10/- each), with contribution of Rs.10 crores each promoters i.e. by NALCO and MIDHANI and further, Rs.10 crores each was contributed by both the promoters towards Right Issue made by your Company. Hence, with this the total promoters' equity share capital has reached to Rs.40 crores (4,00,00,000 equity shares of Rs.10/- each), during the year.

6.0 DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of the Company and date of this report.

7.0 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:

Your Company has not started its operation during the year under review and hence, details relating to conservation of energy, technology absorption are not provided.

During the financial year, the Company does not have any foreign exchange earnings and outgo.

8.0 SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY:

Your Company is the joint venture Company of National Aluminium Company Limited (NALCO), a Navratna PSU and Mishra Dhatu Nigam Limited (MIDHANI), a Mini-Ratna

Category-I PSU. NALCO and MIDHANI are holding 50% each of the paid-up share capital in the Company. Your Company is an Associate Company of both NALCO and MIDHANI as per the provisions of the Companies Act, 2013 and rules made thereunder.

9.0 INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company has in place adequate internal financial controls with reference to financial reporting. As per the relevant provisions of the Companies Act, 2013, the Statutory Auditors have expressed their views on the adequacy of Internal Financial Controls over financial reporting and they were operating effectively as at March 31, 2020 as stated in their Audit Report ended on that date.

10.0 DIRECTORS AND KEY MANAGERIAL PERSONNEL:

10.1 Appointment:

During the year, following Directors were appointed as First Directors of the Company:

- a) Dr. T. K. Chand
- b) Dr. D. K. Likhi
- c) Dr. S. K. Jha
- d) Shri S. K. Patel
- e) Shri M. Sahu

Further, Smt. K. G. Sinha, Shri S. Patra and Shri Debasish Dutta were appointed as Additional Directors of the Company w.e.f. 25.08.2019, 10.02.2020 and 28.08.2020 respectively.

10.2 Cessation:

- a) Smt. K. G. Sinha ceased to be the Director w.e.f. 03.02.2020, upon expiry of her tenure as Independent Director in NALCO on 02.02.2020.
- b) Dr. T. K. Chand ceased to be the Director and Part-time Non-executive Chairman w.e.f. 10.02.2020, upon nomination of Shri S. Patra, CMD, NALCO as Director and Part-time Non-executive Chairman of the Company by NALCO w.e.f. 10.02.2020.
- c) Dr. D. K. Likhi ceased to be the Director w.e.f. 01.05.2020, upon superannuation as Chairman & Managing Director of MIDHANI on 30.04.2020.
- d) Shri M. Sahu resigned from the Board and ceased to be the Director w.e.f. 20.05.2020.

10.3 Key Managerial Personnel:

- a) Dr. D. K. Likhi, Director and CEO (upto 01.05.2020)
- b) Dr. S. K. Jha, Director and CEO (w.e.f. 14.05.2020)
- c) Shri Madhusudan Ray, CFO (w.e.f. 12.08.2020)

11.0 MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year 2019-20, three (3) Board meetings were held on 25.08.2019, 16.09.2019 and 23.10.2019. The maximum interval between any two meetings was well within the maximum period prescribed under the Companies Act, 2013.

12.0 COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE FINANCIAL STATEMENT OF THE COMPANY:

Annual Financial Statements as approved by Board was submitted to the office of Principal Director of Commercial Audit and Ex-officio Member, Audit Board, Bengaluru for their comments. The Comptroller and Auditor General of India has issued 'Nil' comments on the financial statements for the year ended 31.03.2020, vide letter no. Insp/Utkarsha A/cs(2019-20)/2020-21/173 dated 28.08.2020 issued by the Principal Director of Commercial Audit and Ex-officio Member, Audit Board, Bengaluru, which forms part of financial statements.

13.0 STATUTORY AUDITORS:

M/s. Hari Agarwal & Associates (FRN: 001062S), Chartered Accountants, Hyderabad, were appointed as the first Auditors of the Company by Comptroller & Auditor General (C&AG) vide their letter no. CA.V/COY/CENTRAL GOVERNMENT, UADNL (1)/1780 dated 09.10.2019 for the financial year 2019-20.

The Auditor's Report to the Members for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

The Auditors does not report any fraud in terms of Section 134(ca) of the Companies Act, 2013.

14.0 COST AUDITORS:

The Company has not commenced its business operations hence not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

15.0 PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, the Company has not entered into any transactions with any related party.

16.0 LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given / made any loans, guarantees and investments under Section 186 of the Companies Act, 2013.

17.0 EXTRACTS OF ANNUAL RETURN:

Pursuant to provisions of Section 92 of the Companies Act, 2013 and rules made thereunder, an extract of the Annual Return in the prescribed Form MGT-9 for the financial year 2019- 20 is appended as **Annexure-I** to the Directors' Report.

18.0 DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:

- a) in the preparation of the annual accounts for financial year ended 31st March 2020, the applicable accounting standards have been followed and there is no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2020 on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

19.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

During the year, your Company has not employed any employee on its roll as on date. Hence, no Internal Complaints Committee has been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20.0 SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards on Board Meetings (SS-1) and on General Meetings (SS-2) have been duly followed by the Company.

21.0 GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items since there were no transactions in these matters and/or they are not applicable to the Company during the year under review:

- 1. Details relating to deposits covered under Chapter V of the Act;
- 2. Details about policy developed and implemented on corporate social responsibility initiatives;
- 3. A statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Companies Act, 2013;
- 4. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in section 178 Companies Act, 2013;
- 5. No significant or material orders were passed by the Regulators / Courts or Tribunals

which would impact the going concern status of the Company and its future operations;
and

6. Constitution of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

22.0 ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the Government of India, Government of Andhra Pradesh, Promoters, Shareholders, other business associates, employees and other regulatory authorities for their support to the Company.

For and on behalf of Board of Directors

Sd/-

(Sridhar Patra)

Part-time Non-executive Chairman

Place: Bhubaneswar

Date: 19.10.2020

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: **U14299TG2019PLC134932**
- ii) Registration Date: **21.08.2019**
- iii) Name of the Company: **Utkarsha Aluminium Dhatu Nigam Limited (UADNL)**
- iv) Category / Sub-Category of the Company: **Public Company Limited by Shares**
- v) Address of the Registered office and contact details:
C/o. Mishra Dhatu Nigam Limited,
P.O. - Kanchanbagh, Hyderabad,
Telangana – 500058
- vi) Whether listed company: **No.**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
KFin Technologies Private Limited
Selenium (Tower B), Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032 - TELANGANA
Phone: 040-6716-1507
e-mail: mulkala.raju@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	High End Aluminium Alloy	24202	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	National Aluminium Company Limited NALCO Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar, Odisha-751013	L27203OR1981GOI000920	Associate	50	2(6)
2.	Mishra Dhatu Nigam Limited P.O. - Kanchanbagh, Hyderabad, Telangana – 500058	L14292TG1973GOI001660	Associate	50	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 21 st August, 2019)				No. of Shares held at the end of the year (As on 31 st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	1,99,99,995	1,99,99,995	100	-	1,99,99,995	1,99,99,995	100	-
a) Individual/ HUF	-	5	5	0	-	5	5	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on 21 st August, 2019)				No. of Shares held at the end of the year (As on 31 st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,00,00,000	2,00,00,000	100	-	2,00,00,000	2,00,00,000	100	-

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 21.08.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	National Aluminium Company Limited (Includes 2 shares held by	1,00,00,000	50	-	1,00,00,000	50	-	-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 21.08.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
	two Individuals as Registered owner and beneficial rights held by Company)							
2.	Mishra Dhatu Nigam Limited (Includes 3 shares held by two Individuals as Registered owner and beneficial rights held by Company)	1,00,00,000	50	-	1,00,00,000	50	-	

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 21.08.2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	National Aluminium Co. Ltd.	99,99,998	50	99,99,998	50
2.	Shri Sadashiv Samantaray	1	0	1	0
3.	Shri Nayan Kumar Mohanty	1	0	1	0
4.	Mishra Dhatu Nigam Limited	99,99,997	50	99,99,997	50
5.	Dr. Sanjay Kumar Jha	1	0	1	0
6.	Shri Sanjeev Singhal	1	0	1	-
7.	Shri Paul Antony	1	0	1	0
-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year (As on 21.08.2019)		Cumulative Shareholding during the year (As on 31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Sridhar Patra, Chairman	-	-	-	-
2.	Dr. S. K. Jha, Director	1	0	1	0
3.	Shri S. K. Patel	-	-	-	-

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		NIL				
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu					

	of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-
		-	-	-	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	Shri M. Sahu (upto 20.05.2020)						
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	80,000						80,000
2.	Total (1)	80,000						80,000
3.	Other Non-Executive Directors	Dr. T. K. Chand (upto 10.02.2020)	Shri S. Patra (w.e.f 10.02.2020)	Dr. D. K. Likhi (upto 01.05.2020)	Smt. K. G. Sinha (upto 03.02.2020)	Dr. S. K. Jha	Shri S. K. Patel	
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	Nil	Nil	Nil	40,000	Nil	Nil	40,000
4	Total (2)	Nil	Nil	Nil	40,000	Nil	Nil	40,000
5	Total (B) = (1 + 2)							1,20,000/-
6	Total Managerial Remuneration							1,20,000/-
7	Overall Ceiling as per the Act	-						

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTB:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO		Total
		Dr. D. K. Likhi (upto 01.05.2020)	Dr. S. K. Jha (w.e.f. 14.05.2020)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	NIL	NIL	NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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



Phone: 23299778
Cell: 98480 92761

HARI AGARWAL & ASSOCIATES

Chartered Accountants

Basheerbagh Office:

#5-9-58/304, Gupta Estates,
Basheerbagh, Hyderabad - 500004
E-mail: hariagarwal1987@yahoo.in
Website: www.haacas.com

Jubilee Hills Office:

No. 214, Second Floor, Westend Mall
Road No. 36, Jubilee Hills, Hyderabad - 500033
E-mail: jhoffice@haacas.com
Website: www.haacas.com

Independent Auditor's Report

To
The Members of
UTKARSHA ALUMINIUM DHATU NIGAM LIMITED

Report on the Audit of the Standalone Financial Statements

We have issued an Independent Audit Report dated 19th June 2020 on the Ind AS Standalone Financial Statements as adopted by Board of Directors of even date. Pursuant to observations of Comptroller and Auditor General of India, we are issuing this Revised Report wherein Emphasis of Matter Paragraph and 'Annexure C' has been included to comply with the observations made by Comptroller and Auditor General of India. This Independent Auditor's Report supersedes our report issued on 19th June 2020.

Opinion

We have audited the standalone financial statements of UTKARSHA ALUMINIUM DHATU NIGAM LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2020, 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 standalone 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 31st March, 2020, its loss, 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 Companies Act, 2013. 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 standalone 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 the following matters in the Notes to the standalone financial statements:

- a) Note 3 to the standalone financial statements, which is on property, Plant and Equipment

Sale Agreement with APIIC for transfer of land in favour of Utkarsha Aluminium Dhatu Nigam Limited is not yet executed. It will be executed only after cancellation of registered Sale Agreement executed between MIDHANI and APIIC and the same is expected to be completed after pronouncement of judgment in Hon'ble High Court of A.P. in the financial year 2020-2021. Thus, Land is still on the name of Midhani Limited.

The expenditure incurred by Midhani on construction of compound wall on this land for Rs 166.90 Lakh was transferred to Utkarsha Aluminium Dhatu Nigam Limited after its incorporation in August 2019. The same is capitalised in the books of Utkarsha Aluminium Dhatu Nigam Limited.

- b) There are 2 writ petitions viz. WP 29243/17 (9 petitioners) and WP 6165/19(1 petitioner) pending before Hon'ble Court of Andhra Pradesh as on date. The Hon'ble Court has ordered status quo in WP 6165/19 and in WP 29243/17- not to dispose the petitioners without following due process of law. Compensation to be paid to petitioners by APIIC towards out of court settlement is subject to pronouncement of judgment. The case is pending before Hon'ble High Court of A.P, and the legitimacy of the case is yet to be decided

As decided in the 5th Board Meeting of UADNL, the amount towards cost of land shall be paid to MIDHANI only after execution of Sale Agreement with APIIC for transfer of land in favour of UADNL. Thereof no liability is created in the books of UADNL as on 31.03.2020.

- c) Impact of COVID-19 Pandemic on financial reporting –

In light of the restrictions in physical movement and visits to the company office, the company has provided all the relevant information, documents and accounting data in soft copy manner.

We have carried out the Audit Process with the provided soft copies. The audit evidence obtained by us is adequate to express our audit opinion. The Operations of the Company during the period ended 31st March 2020 were not affected due to Lockdown announced by the Central / State Governments in the month of March 2020 due to the outbreak of Novel Coronavirus COVID19

Our opinion on the Standalone Financial Statements, and our “Report on Other Legal and Regulatory Requirements” below, is not modified in respect of the above matters.

Information other than the standalone financial statements and auditors’ 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.

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

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

Those 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 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 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 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.

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 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 the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the 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 the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to financial controls of the company and the operating effectiveness of such control, 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 with reference to standalone financial statements.
 - g) As required by Section 143(5) of the Act, we give in "**Annexure C**", a statement on the matters contained in directions issued by the Comptroller & Auditor General of India, the action taken thereon and its impact on the accounts and standalone financial statements of the company in terms of aforesaid section.
 - h) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For HARI AGARWAL &
ASSOCIATES
Chartered Accountants
FRN: 001062S**

Sd/-
**HARI AGARWAL, FCA
Partner
M.No. 026059**

**Place: Hyderabad
Date: 28.08.2020
UDIN:20026059AAAACL2424**

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records. – **This clause is not applicable since company is not holding any inventories for the period ending 31.03.2020.**
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2020 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 is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements etc. as required by the applicable accounting standards.
- 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.
- xv. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For HARI AGARWAL & ASSOCIATES
Chartered Accountants
FRN: 001062S

Sd/-
HARI AGARWAL, FCA
Partner
M.No. 026059

Place: Hyderabad
Date: 28.08.2020
UDIN: 20026059AAAACL2424

Report on Internal Financial Controls with reference to financial statements

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 UTKARSHA ALUMINIUM DHATU NIGAM LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

For HARI AGARWAL & ASSOCIATES
Chartered Accountants
FRN: 001062S

Sd/-

HARI AGARWAL, FCA
Partner
M.No. 026059

Place: Hyderabad
Date: 28.08.2020
UDIN:20026059AAAACL2424

ANNEXURE - "C"

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020 OF
UTKARSHA ALUMINIUM DHATU NIGAM LIMITED**

**Report on the directions under sub-section 5 of Section 143 of the Act, issued by the
Comptroller and Auditor General of India:**

Sl. No.	Directions u/s. 143(5) of the Companies Act, 2013	Auditor's Reply on action taken on the directions	Impact
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated	Company is using Tally ERP software to record all business and financial transactions. The software itself has built in checks and validations thus the data accuracy and integrity is maintained. All payment approvals are processed using the approval hierarchy. All the accounting transactions are processed and the Trial Balance is generated from Tally ERP System. In view of the above, we confirm that no financial transactions are carried out outside IT systems and hence there is no financial implication on the integrity of the accounts during the Financial Year 2019-20.	NIL
2.	Whether there is any restructuring of an existing loan or cases of waiver/write-off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated	According to the information and explanation furnished to us, and based on our examination of books, we are of the opinion that there is no restructuring of an existing loan or cases of waiver / write-off of debts / loans/ interest etc made by a lender to the company during the financial year 2019-20.	NIL
3.	Whether funds received / receivable for specific schemes from central/state agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	Based on the examination of the books and records of the company, during the Financial Year 2019-20 no government grants /funds received /receivable for specific schemes from central/state government/agencies.	NIL

**For HARI AGARWAL & ASSOCIATES
Chartered Accountants
FRN: 001062S**

Sd/-

**HARI AGARWAL, FCA
Partner
M.No. 026059**

**Place: Hyderabad
Date: 28.08.2020
UDIN: 20026059AAAACL2424**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

स्पीड पोस्ट द्वारा
गोपनीय

सं./No.नि./ उत्कर्ष लेखा(2019-20)/2020-21/ 173

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा एवं पदेन सदस्य
लेखापरीक्षा बोर्ड का कार्यालय, बेंगलूर - 560 001.

OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT and ex-Officio MEMBER, AUDIT BOARD,
BENGALURU - 560 001.

दिनांक/DATE :

28 अगस्त 2020

सेवा मे,
डा. संजय कुमार झा
सी ई ओ & निदेशक,
मिश्र धातु निगम लिमिटेड,
कंचनबाग,
हैदराबाद - 500 058
महोदय,

विषय: कम्पनी अधिनियम 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक
एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं 31 मार्च 2020 को समाप्त वर्ष के मेसर्स - उत्कर्ष अल्युमीनियम धातु निगम
लिमिटेड, हैदराबाद के लेखाओं पर कंपनी अधिनियम 2013 की धारा 143(6)(b) के तहत भारत
के नियंत्रक एवं महालेखापरिक्षक का "शून्य टिप्पणी प्रमाण पत्र " अग्रेषित करता हूँ।

कृपया सुनिश्चित करे कि टिप्पणिया

1. बिना कोई संशोधन किये पूर्ण रूप से छापी जाये।
2. सूचि में उचित संकेत के साथ कंपनी की वार्षिक रिपोर्ट में सांविधिक लेखापरीक्षकों की रिपोर्ट के आगे रखा जाये।
3. कंपनी अधिनियम 2013 की धारा 143(6)(b) के तहत आवश्यकतानुसार वार्षिक आम बैठक में रखा जाये।

कृपया पत्र की पावती भेजें।

भवदीय,

(अरुण कुमार वी.एम.)

उप निदेशक (प्रशासन)

संलग्न: यथोपरि

भारतीय लेखापरीक्षा तथा लेखा विभाग

INDIAN AUDIT & ACCOUNTS DEPARTMENT

पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूर - 560 001

1st Floor, Basava Bhavan, Sri Basaveswara Road, Bengaluru - 560 001

ट.भा/Phone : 2226 7646 / 2226 1168

E-mail : mabbangalore@cag.gov.in

फैक्स/Fax : 080-2226 2491



By Speed Post
Confidential

Insp/Utkarsha A/cs(2019-20)/2020-21/ 173
सं./No.:

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा एवं पदेन सदस्य
लेखापरीक्षा बोर्ड का कार्यालय, बेंगलूर - 560 001.

OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT and ex-Officio MEMBER, AUDIT BOARD,
BENGALURU - 560 001.

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

दिनांक/DATE :

28 August 2020

To

Dr. Sanjay Kumar Jha,
CEO & Director,
Mishra Dhatu Nigam Limited,
Kanchanbagh,
Hyderabad - 500 058.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of **M/s. Utkarsha Aluminium Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2020.

I forward **Nil Comments Certificate** of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of **M/s. Utkarsha Aluminium Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2020.

It may please be ensured that the comments are:

- (i) Printed in toto without any editing;
- (ii) Placed before the AGM as required under Section 143(6)(b) of the Companies Act, 2013; and
- (iii) Placed next to the statutory auditors' report in the Annual Report of the Company with proper indication in the index.

The receipt of this letter may please be acknowledged.

Yours faithfully,

(Arun Kumar V.M.)
Dy. Director (Admin)

Encl: As above.

भारतीय लेखापरीक्षा तथा लेखा विभाग

INDIAN AUDIT & ACCOUNTS DEPARTMENT

पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूर - 560 001

1st Floor, Basava Bhavan, Sri Basaveswara Road, Bengaluru - 560 001

टू.भा/Phone : 2226 7646 / 2226 1168

E-mail : mabbangalore@cag.gov.in

फैक्स/Fax : 080-2226 2491

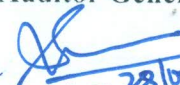
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF M/s. UTKARSHA ALUMINIUM DHATU NIGAM
LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of financial statements of **M/s. Utkarsha Aluminium Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their revised Audit Report dated 28 August 2020 which supersedes their earlier Audit Report dated 19 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **M/s. Utkarsha Aluminium Dhatu Nigam Limited, Hyderabad** for the year ended 31 March 2020 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited to primarily inquiries of the statutory auditor, company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditors' report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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


(Santosh Kumar)

Pr. Director of Commercial Audit

Place: Bengaluru

Date: 28 August 2020

UTKARSHA ALUMINIUM DHATU NIGAM LIMITED CIN:U14299TG2019PLC134932		
BALANCE SHEET AS AT 31st MARCH 2020		(₹ in Lakhs)
Particulars	Note No.	As at 31st March 2020
ASSETS		
Non-current assets		
Property, Plant and Equipment	3	163.68
Capital work-in-progress	4	20.87
Intangible assets	5	0.19
Financial Assets		
(i) Investments		-
(ii) Loans		-
Non current tax assets (Net)	6	38.11
Other non-current assets		-
Total Non-Current Assets		222.85
Current assets		
Inventories		-
Financial Assets		
(i) Trade receivables		-
(ii) Cash and cash equivalents	7	3,451.10
(iii) Bank balances [other than (ii) above]		-
(iv) Others		-
Other current assets	8	1.17
Total Current Assets		3,452.27
Total Assets		3,675.12
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	9	4,000.00
Other Equity	10	(325.50)
Total Equity		3,674.50
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings		-
(ii) Others		-
Provisions		-
Deferred tax liabilities (net)		-
Other non-current liabilities		-
Total Non-current liabilities		-
Current Liabilities		
Financial liabilities		
(i) Borrowings		-
(ii) Trade payables	11	0.62
(iii) Others		-
Other current liabilities		-
Provisions		-
Total Current Liabilities		0.62
Total Equity and Liabilities		3,675.12
The accompanying notes 1 to 13 form an integral part of the financial statements.		
As per our report of even date		for and on behalf of the Board of Directors
for HARI AGARWAL & ASSOCIATES		
Chartered Accountants		Sd/-
Firm's registration no. 0010625		Dr. SANJAY KUMAR JHA
		CEO & DIRECTOR
		DIN: 07533036
Sd/-		
HARI AGARWAL, FCA		
Partner		
Membership No. 026059		
Place: Hyderabad		Sd/-
Date: 19.06.2020		SHRI SANJAY KRISHNA PATEL
		DIRECTOR
		DIN: 08542391

UTKARSHA ALUMINIUM DHATU NIGAM LIMITED CIN:U14299TG2019PLC134932 STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2020 (₹ in Lakhs)		
Particulars	Note No.	For the period ended 31st March 2020
Income		
Revenue From Operations		-
Other Income		-
Total Income		-
Expenses		
Cost of material consumed		-
Excise Duty		-
Change in inventories of finished goods, work-in-progress and stock-in-trade		-
Employee benefits expense		-
Finance Costs		-
Depreciation and amortization expense	3	3.24
Other expenses	12	360.37
Total Expenses		363.61
Profit / (Loss) before exceptional items and tax		(363.61)
Exceptional Items - Income / (Expense)		-
Profit / (Loss) before tax		(363.61)
Tax expense		
Current Tax		-
Earlier Year Tax		-
MAT Credit Entitlement		
Deferred Tax	13	(38.11)
Profit / (Loss) for the period		(325.50)
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Other comprehensive income for the year net of tax		-
Total Comprehensive Income for the period		(325.50)
(Comprising Profit / (Loss) and Other Comprehensive Income for the period)		
Earning per equity share (Amount in ₹)		
Basic (₹)		(0.81)
Diluted (₹)		(0.81)
Weighted average number of shares (Nos.) (Basic & Diluted)		4,00,00,000
The accompanying notes 1 to 13 form an integral part of the financial statements.		
As per our report of even date		
for and on behalf of the Board of Directors		
for HARI AGARWAL & ASSOCIATES		
Chartered Accountants		
Firm's registration no. 0010625		
Sd/-		
HARI AGARWAL, FCA		
Partner		
Membership No. 026059		
Place: Hyderabad		
Date: 19.06.2020		
Sd/-		
Dr. SANJAY KUMAR JHA		
CEO & DIRECTOR		
DIN:07533036		
Sd/-		
SHRI. SANJAY KRISHNA PATEL		
DIRECTOR		
DIN: 08542391		

UTKARSHA ALUMINIUM DHATU NIGAM LIMITED
CIN:U14299TG2019PLC134932

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31st MARCH 2020

A: Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance as at 31st March 2019	-
Changes in Equity Share Capital	4,000.00
Balance as at 31st March 2020	4,000.00

B. Other Equity

(₹ in Lakhs)

	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Retained Earnings	General Reserve	Other items of Other Comprehensive Income	
Opening Balance as at 1st April 2019	-	-	-	-
Changes in Equity Share Capital	-	-	-	-
Profit for the period	(325.50)	-	-	(325.50)
Remeasurement of the net defined benefit	-	-	-	-
Dividends	-	-	-	-
Dividend Distribution Tax	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance as at 31st March 2020	(325.50)	-	-	(325.50)

The accompanying notes 1 to 13 form an integral part of the financial statements.

As per our report of even date

for and on behalf of the Board of Directors

for HARI AGARWAL & ASSOCIATES
Chartered Accountants
Firm's registration no. 0010625

Sd/-
HARI AGARWAL, FCA
Partner
Membership No. 026059

Place: Hyderabad
Date: 19.06.2020

Sd/-
Dr. SANJAY KUMAR JHA
CEO & DIRECTOR
DIN: 07533036

Sd/-
SHRI. SANJAY KRISHNA PATEL
DIRECTOR
DIN: 08542391

UTKARSHA ALUMINIUM DHATU NIGAM LIMITED
CIN:U14299TG2019PLC134932
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31st MARCH 2020

(₹ in Lakhs)

Particulars	For the period ended 31st March 2020
Cash flows from operating activities	
Profit/(loss) for the year (before tax)	(363.61)
Adjustments for:	
Depreciation expense	3.24
	(360.37)
Working capital adjustments:	
(Increase) decrease in other current assets	(1.17)
Increase (decrease) in trade payables	0.62
Cash generated from operating activities	(360.92)
Income tax paid (net)	-
Net cash from operating activities (A)	(360.92)
Cash flow from investing activities	
Acquisition of property, plant and equipment	(187.98)
Net cash from investing activities (B)	(187.98)
Cash flows from financing activities	
cash flow from Subscription of share capital	4,000.00
Repayment of borrowings	-
Dividend on shares	-
Interest paid	-
Net cash flow from (used in) financing activities (C)	4,000.00
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,451.10
Cash and cash equivalents at 1 April	-
Cash and cash equivalents at the reporting date	3,451.10
Reconciliation of cash and cash equivalents as per the balance sheet	
Cash and cash equivalents as per the cash flow statement	3,451.10
Other bank balances not considered above	
- Term Deposit and EMD Deposit	-
	3,451.10
The accompanying notes 1 to 13 form an integral part of the financial statements.	
As per our report of even date	
for and on behalf of the Board of Directors	
for HARI AGARWAL & ASSOCIATES	
Chartered Accountants	
Firm's registration no. 0010625	
Sd/-	Sd/-
HARI AGARWAL, FCA	Dr. SANJAY KUMAR JHA
Partner	CEO & DIRECTOR
Membership No. 026059	DIN: 07533036
Place: Hyderabad	
Date: 19.06.2020	Sd/-
	SHRI. SANJAY KRISHNA PATEL
	DIRECTOR
	DIN: 08542391

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

	Land	Buildings/ Drainage/ water systems	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Other (Electrical installations)	Others (Roads and bridges)	Total Tangible Assets
Year ended 31st March 2020									
Gross Carrying amount									
Opening gross carrying amount	-	-	-	-	-	-	-	-	-
Additions	-	166.91	-	-	-	-	-	-	166.91
Disposals	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	166.91	-	-	-	-	-	-	166.91
Accumulated depreciation									
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	3.23	-	-	-	-	-	-	3.23
Disposals	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	3.23	-	-	-	-	-	-	3.23
Net Carrying amount	-	163.68	-	-	-	-	-	-	163.68

1. Company considered the salvage value as 5% of the Cost of Assets

5. INTANGIBLE ASSETS

(₹ in Lakhs)

	Computer software	Copyrights & Patents and other intellectual property rights, services and operating rights	Total Intangible Assets
Year ended 31st March 2020			
Gross Carrying amount			
Opening gross carrying amount	-	-	-
Additions	0.20	-	0.20
Disposals	-	-	-
Closing gross carrying amount	0.20	-	0.20
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charge during the year	0.01	-	0.01
Disposals	-	-	-
Closing accumulated depreciation	0.01	-	0.01
Net Carrying amount	0.19	-	0.19

4. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	As at 31st March 2020
Capital Work-in-Progress-Civil	20.87
Total	20.87

7. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March 2020
Balances with Banks	
In Current Accounts	3,451.10
Total	3,451.10

8. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2020
GST/Customs duty receivable	1.17
Total	1.17

9. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2020
Authorised	
Equity shares	
30,00,00,000 shares @ ₹ 10/- per share	30,000.00
(Previous Year NIL shares	
@ Nil per share)	
	30,000.00
Issued	
Equity shares	
4,00,00,000 shares @ ₹ 10/- per share	4,000.00
(Previous Year NIL shares	
@ Nil per share)	
	4,000.00
Subscribed and fully Paid up	
Equity shares	
4,00,00,000 shares @ ₹ 10/- per share	4,000.00
(Previous Year NIL shares	
@ Nil per share)	
	4,000.00
Total	4,000.00

Reconciliation of shares outstanding at the beginning and at the end of the period:

Particulars	31st March 2020	
	No. of Shares	Amount (₹ in Lakhs)
Outstanding as at Opening Date	-	-
Add: Issued during the period		
To NALCO	2,00,00,000	2,000.00
To MIDHANI	2,00,00,000	2,000.00
Outstanding as at Closing Date	4,00,00,000	4,000.00

Terms/right attached to equity shares

The Company has Initial and RIGHTS class of equity shares having par value of ₹ 10 per share. Each equity share represents one voting right.

Details of shareholders holding more than 5% shares in the Company

Particulars	31st March 2020	
	No. of shares	% holding
Equity shares of ₹ 10/- each fully paid-up (Previous Year ₹ Nil)		
NALCO	2,00,00,000	50.00%
MIDHANI	2,00,00,000	50.00%

10. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March 2020
General Reserve	
Opening Balance	-
Add: Additions during the year	-
Sub-total	-
Retained Earnings	
Opening Balance	-
Add: Amount transferred from statement of profit and loss	(325.50)
Amount available for appropriation	(325.50)
Sub-total	(325.50)
Total	(325.50)

6. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March 2020
Deferred Tax Liabilities	
On Depreciation	3.49
Sub Total	3.49
Deferred Tax Assets	
On Provision	41.60
On Disallowance as per IT Act	-
Sub Total	41.60
Net Total	(38.11)

Movement in deferred tax

(₹ in Lakhs)

Particulars	Closing Balance 31-Mar-2019	Charge/Credit during the year 2019-20	Closing Balance 31-Mar-2020
Deferred Tax Assets			
Preliminary Expenses	-	41.60	41.60
Total Assets	-	41.60	41.60
Deferred Tax Liability			
Depreciation	-	3.49	3.49
Total Liability	-	3.49	3.49
Net Liability	-	(38.11)	(38.11)

11. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March 2020
Others @	0.62
Total	0.62

@ Balances in Trade Payables are subject to confirmation and/ or reconciliation.

12. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2020
Repairs & maintenance expenses	
Buildings	2.65
Rent	-
Printing and stationery	0.05
Administration expenses-Others	3.37
Library books	8.65
Membership fees	0.42
Directors sitting fees	1.00
Advertisement	22.97
Consultancy charges	17.31
Auditors remuneration	
Auditor's remuneration(As per details below)	0.60
Finance & bank charges	
Bank charges	0.01
Preliminary Expenses	303.34
Total	360.37

Remuneration and other payments to the auditor

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2020
Auditor	
(a) Statutory Audit	0.60
Total	0.60

13. INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in the equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2020
Current tax	
Current tax on profits for the year	-
Earlier year tax	-
MAT Credit Entitlement	-
	-
Deferred tax	
Decrease (increase) in deferred tax liabilities	38.11
Total income tax expense	(38.11)