

1ST ANNUAL REPORT

2019-20

ADITYA BIRLA POWER COMPOSITES LIMITED

ADITYA BIRLA POWER COMPOSITES LIMITED

CIN: U31900GJ2019PLC110313

Regd. Office: Survey No. 158-159, Meghasar, Taluka- Halol, Halol Kalol Road,
Panch Mahals -389330, Gujarat, India | T: 02676 221002

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

Dear Shareholders,

The Directors of your Company are pleased to present the 1st (First) Annual Report and the audited financial statements of the Company for the financial year ended 31st March 2020.

FINANCIAL PERFORMANCE

The financial performance for the financial year ended 31st March 2020, is summarized below:

(Amount in ₹)	
Particulars	For the year ended 31 st March 2020 (i.e. from 15 th October 2019 to 31 st March 2020)
Revenue from operations	-
Other Income	-
Total Income	-
Total Expenses	13,19,164
Profit/(Loss) before tax	(13,19,164)
Tax expenses	-
Profit/(Loss) for the year	(13,19,164)
<u>Other comprehensive Income (OCI)</u>	
Other comprehensive income for the year	-
Total comprehensive income for the year	(13,19,164)
Basic/diluted earnings per share (Face value of ₹10 each)	(18.96)

DIVIDEND

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

TRANSFER TO RESERVES

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

ADITYA BIRLA POWER COMPOSITES LIMITED

NAMES OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

Your Company does not have any Subsidiary, Joint venture or Associate Company. Your Company is a Joint Venture between Grasim Industries Limited and Maschinenfabrik Reinhausen GmbH (MR).

SHARE CAPITAL

The Authorized Share Capital of the Company is ₹ 45,00,00,000/- (Rupees Forty Five Crore Only) divided into 4,50,00,000 (Four Crore Fifty Lakh) Equity Shares of Rs. 10 each. As on 31st March 2020 the Paid-up Share Capital of the Company is Rs. 10,00,000 (Rupees Ten Lakh Only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10 each.

During the year under review, there was an increase in the Authorized Share Capital of the Company to enable the Company to issue further equity shares. The Authorised Share Capital of the Company was increased from Rs. 10,00,000 (Rupees Ten Lakh Only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10 (Rupees Ten Only) each to Rs. 45,00,00,000 (Rupees Forty Five Crore Only) divided into 4,50,00,000 (Four Crore Fifty Lakh) Equity Shares of Rs. 10 (Rupees Ten Only) each.

PUBLIC DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Your Company has not taken any loans, guarantees and investments under section 186 of the Companies Act, 2013.

DIRECTOR(S) AND KEY MANAGERIAL PERSONNEL

As on 31st March 2020, your Board comprises of 5 (Five) Directors which are Non-Executive Directors. Your Directors on the Board have relevant experience and competency suitable for the business. All Directors are liable to retire by rotation.

In terms of the Joint Venture Agreement (JVA) between Grasim Industries Limited (Grasim) and Maschinenfabrik Reinhausen GmbH (MR), dated 22nd October 2019, Grasim is entitled to nominate 3 Directors on the Board of the Company. Pursuant to the said entitlement, Grasim had nominated Mr. Kalyan Ram Madabhushi, Mr. Ashish Adukia and Mr. Rohit Pathak as Directors of the Company. Mr. Madabhushi, Mr. Adukia and Mr. Pathak are the first Directors of the Company, as stated in the Articles of Association of the Company.

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In terms of the JVA, MR is entitled to nominate 2 Directors on the Board of the Company. Pursuant to the said entitlement MR nominated Mr. Marcus Hartmann and Mr. Andreas Lell as Directors of the Company. The Board of Directors of the Company, at its meeting held on 6th February 2020, had appointed Mr. Marcus Hartmann and Mr. Andreas Lell, as Additional Directors of the Company w.e.f. 6th February 2020. Shareholders of the Company at the Extra-Ordinary General Meeting (EGM) held on 6th February 2020 appointed Mr. Hartmann and Mr. Lell, as Non-Executive Directors of the Company, whose offices shall be liable to retirement by rotation.

In accordance with the provisions of section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment & Qualification of Directors) Rules, 2014, Mr. Kalyan Ram Madabhushi (DIN: 08116290) and Mr. Rohit Pathak (DIN: 08539796), Non-Executive Directors of your Company, are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and, being eligible, have offered themselves for re-appointment. Resolutions seeking shareholders' approval for the re-appointment of Mr. Madabhushi and Mr. Pathak have been included in the Notice of the ensuing AGM.

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

The Ministry of Corporate Affairs (MCA), Government of India, vide notification dated 5th July 2017, issued the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 inter-alia amending rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per the said amended rule 4 the following classes of unlisted public company is not required to appoint Independent Directors namely:- (a) a joint venture; (b) a wholly owned subsidiary; and (c) a dormant company as defined under section 455 of the Companies Act, 2013, irrespective of the fact that the paid-up share capital is ten crore rupees or more; or the turnover is one hundred crore rupees or more; or the aggregate, outstanding loans, debentures and deposits, exceeding fifty crore rupees as per the latest audited financial statements of the company. MCA vide a general circular dated 5th September 2017, clarified that a "*joint venture*" would mean a joint arrangement, entered into in writing, whereby the parties that have joint control of the arrangement, have rights to the net assets of the arrangement. The usage of the term is similar to that under the Accounting Standards.

Since the Company is a joint venture and in view of the aforesaid amendment to the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is not required to appoint Independent Directors on its Board and therefore, the Company has not appointed any Independent Director(s) on the Board of the Company.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of sections 2(51) and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Key Managerial Personnel of the Company as on 31st March 2020 are Mr. Rohit Pathak, Chief Executive Officer; Mr. Brijesh Kumar, Chief Financial Officer and Ms. Neha Sharma, Company Secretary.

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BOARD MEETINGS

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

The Board of Directors met 3 (three) times during the year, on 5th November 2019 and twice on 6th February 2020. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days. The attendance and sitting fees paid, if any, for the Financial year 2019-20 are as follows:-

Name of Directors	Category	No. of Meetings Attended	Sitting Fees paid (in Rs.)
Mr. Kalyan Ram Madabhushi	Non-Executive Director	2	-
Mr. Rohit Pathak	Non-Executive Director	3	-
Mr. Ashish Adukia	Non-Executive Director	3	-
Mr. Marcus Hartmann	Non-Executive Director	2	-
Mr. Andreas Lell	Non-Executive Director	2	-

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

- i) in the preparation of the annual accounts for the year ended 31st March 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the accounting policies selected have been applied consistently, and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at 31st March 2020 and of the profit/loss of your Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv) Annual Accounts have been prepared on a 'going concern basis';
- v) your Company has laid down internal financial controls, and that such internal financial controls are adequate and are operating effectively; and
- vi) your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

STATUTORY AUDITORS

Pursuant to the provisions of section 139(6) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors vide its resolution dated 11th November 2019, has appointed M/s. B S R & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 101248W/W-100022), as the First Statutory Auditors of the Company, to hold office till the conclusion of the first AGM of the Company.

At its meeting held on 22nd May 2020, the Board has approved appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of first AGM till the conclusion of sixth AGM of the Company to be held in the year 2025, subject to the approval of members of the Company at the ensuing AGM. Resolution seeking shareholders' approval for the appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company has been included in the Notice of the ensuing AGM.

Consent of the Statutory Auditors and certificate under section 139 of the Companies Act, 2013 have been obtained from the Statutory Auditors to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Your Directors commend the resolution for your approval for the aforesaid appointment.

The observations made by the First Statutory Auditors on the Financial Statements of the Company, in their Report for the financial year ended 31st March 2020, read with the explanatory notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board under section 134(3)(f) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.

COST AUDITORS

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

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SECRETARIAL AUDITORS

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

INTERNAL AUDITORS

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

CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

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

The details of contracts and arrangements with related parties of your Company for the financial year ended 31st March 2020 is given in notes to the financial statements of your Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the financial year 2019-20, the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 related to CSR were not applicable to the Company.

RISK MANAGEMENT

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

ANNUAL RETURN

The extract of annual return for the financial year 2019-20 in Form MGT-9 is attached in **Annexure I**.

ADITYA BIRLA POWER COMPOSITES LIMITED

INTERNAL FINANCIAL CONTROLS

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

COMMITTEES OF BOARD

SHAREHOLDERS' COMMITTEE:

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

1. Mr. Kalyan Ram Madabhushi (Grasim representative)
2. Mr. Andreas Lell (MR representative)

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

During the year under review one (1) Shareholders' Committee meeting was held on 6th February 2020. The Composition, attendance and sitting fees paid, if any, for the Shareholders' Committee Meetings held during the Financial year 2019-20 are as follows:-

Name of Members	Category	No. of Meeting Attended	Sitting Fees paid (in ₹)
Mr. Kalyan Ram Madabhushi	Non-Executive Director	1	-
Mr. Andreas Lell	Non-Executive Director	1	-

PARTICULARS OF EMPLOYEES

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

SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act). Your Company has zero tolerance for sexual harassment at workplace.

We further state that during the year under review, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The provisions relating to constitution of Internal Complaints Committee under the POSH Act is not applicable, as during the year under review your Company had not employed 10 or more employees.

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

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

CHANGE IN THE NATURE OF BUSINESS

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

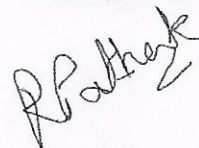
OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares
 - Employees Stock Option Scheme
- There were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operation in future.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- The Company was incorporated on 15th October 2019 and therefore provisions relating to revision in the financial statements or Boards' Report of the Company in preceding three financial years, are not applicable to the Company.

ACKNOWLEDGEMENTS

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

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



Rohit Pathak
Director
DIN: 08539796



Ashish Adukia
Director
DIN: 08512890

Place: Mumbai
Date: 22nd May 2020

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Annexure I

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

CIN	U31900GJ2019PLC110313
Registration Date	15 th October 2019
Name of the Company	Aditya Birla Power Composites Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered office and contact details	Survey No. 158- 159, Meghasar, Taluka – Halol, Halol- Kalol Road, Panch Mahals Gujarat- 389330 Telephone- 02676 221002/ 022 24995000 Email: abpcl@adityabirla.com
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telegana-500 032 Tel: +91 40 6716 2222 Fax: +91 040 23420814 Toll Free No. 1800 5724 001 E-Mail ID : einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary or Associate Companies. The Company is a Joint Venture between Grasim Industries Limited and Maschinenfabrik Reinhausen GmbH (MR).

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

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the time of the incorporation (As on 15-10-2019)				No. of Shares held at the end of the year (As on 31-03-2020)				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6*	-	6*	0.06	6*	-	6*	0.01	(0.05)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,994	-	9,994	99.94	99,994 [#]	-	99,994 [#]	99.99	0.05
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	10,000	-	10,000	100	100,000	-	100,000	100	0
(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)	10,000	-	10,000	100	100,000	-	100,000	100	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

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f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto 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)	10,000	-	10,000	100	100,000	-	100,000	100	0

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

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

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ii. SHAREHOLDING OF PROMOTERS: EQUITY SHARE

Sl.	Shareholder's Name	Shareholding at the time of the incorporation as on 15-10-2019			Shareholding at the end of the year as on 31-03-2020			% change in share holding during the period
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Grasim Industries Limited	9,994	99.940	-	50,994	50.994	-	(48.946)
2.	Khozem Mirza [#]	-	-	-	49,000	49.000	-	49.000
3.	Pavan Kumar Jain*	1	0.010	-	1	0.001	-	(0.009)
4.	Hemant Kumar Kadel*	1	0.010	-	1	0.001	-	(0.009)
5.	Hutokshi Wadia*	1	0.010	-	1	0.001	-	(0.009)
6.	Mahendra Bhandari*	1	0.010	-	1	0.001	-	(0.009)
7.	Mansi S. Laheri*	1	0.010	-	1	0.001	-	(0.009)
8.	Ullash Chandra Parida*	1	0.010	-	1	0.001	-	(0.009)
		10,000	100	-	100,000	100	-	0

* Nominees of Grasim Industries Limited

[#] Nominee of Maschinenfabrik Reinhausen GmbH (MR). The Board had allotted 49,000 Equity Shares of the Company to MR vide circular resolution dated 10th December 2019. Memorandum of Understanding (MOU) dated 6th February 2020 was executed between the Company, MR and Mr. Khozem Mirza (nominee of MR), whereby MR has nominated Mr. Khozem Mirza, to hold the aforesaid shares on behalf of MR in-trust till the date of opening of the demat account in the name of MR.

iii. CHANGE IN PROMOTERS' SHAREHOLDING:

EQUITY SHARES

Sl. No.	Shareholder's Name			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
A.	At the time of the incorporation as on 15-10-2019				
1.	Grasim Industries Limited	9,994	99.940	9,994	99.940
2.	Pavan Kumar Jain*	1	0.010	1	0.010
3.	Hemant Kumar Kadel*	1	0.010	1	0.010
4.	Hutokshi Wadia*	1	0.010	1	0.010
5.	Mahendra Bhandari*	1	0.010	1	0.010
6.	Mansi S. Laheri*	1	0.010	1	0.010
7.	Ullash Chandra Parida*	1	0.010	1	0.010

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B.	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (Allotment of shares on preferential basis) Date of allotment: 10th December 2019	-	-	-	-
1.	Grasim Industries Limited	41,000	41.000	50,994	50.994
2.	Maschinenfabrik Reinhausen Gmbh [#]	49,000	49.000	49,000	49.000
C.	At the end of the year as on 31-03-2020				
1.	Grasim Industries Limited	50,994	50.994	50,994	50.994
2.	Khozem Mirza [#]	49,000	49.000	49,000	49.000
3.	Pavan Kumar Jain*	1	0.001	1	0.001
4.	Hemant Kumar Kadel*	1	0.001	1	0.001
5.	Hutokshi Wadia*	1	0.001	1	0.001
6.	Mahendra Bhandari*	1	0.001	1	0.001
7.	Mansi S. Laheri*	1	0.001	1	0.001
8.	Ullash Chandra Parida*	1	0.001	1	0.001
		100,000	100	100,000	100

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

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

iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Sl. No				Cumulative Shareholding during the period	
	For each of the Directors and KMP At the time of the incorporation as on 15-10-2019	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Kalyan Ram Madabhushi, Director	0	0.00	0	0.00
2.	Mr. Rohit Pathak, Director	0	0.00	0	0.00
3.	Mr. Ashish Adukia, Director	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease : Not Applicable	0	-	0	-
	For each of the Directors and KMP At the end of the year as on 31-03-2020				
1.	Mr. Kalyan Ram Madabhushi, Director	0	0.00	0	0.00
2.	Mr. Rohit Pathak, Director	0	0.00	0	0.00
3.	Mr. Ashish Adukia, Director	0	0.00	0	0.00
4.	Mr. Marcus Hartmann, Director	0	0.00	0	0.00
5.	Mr. Andreas Lell, Director	0	0.00	0	0.00
6.	Mr. Rohit Pathak, Chief Executive Officer	0	0.00	0	0.00
7.	Mr. Brijesh Kumar, Chief Financial Officer	0	0.00	0	0.00
8.	Ms. Neha Sharma, Company Secretary	0	0.00	0	0.00

ADITYA BIRLA POWER COMPOSITES LIMITED

II INDEBTEDNESS:

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

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

NIL

B. REMUNERATION TO OTHER DIRECTORS:

NIL

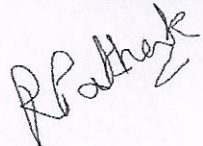
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

NIL

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

NIL

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



Rohit Pathak
Director
DIN: 08539796



Ashish Adukia
Director
DIN: 08512890

Place: Mumbai
Date: 22nd May 2020

Aditya Birla Power Composites Limited

ANNUAL FINANCIAL STATEMENTS

Financial Year 2019 - 20

BSR & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditor's Report

To the Members of Aditya Birla Power Composites Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Aditya Birla Power Composites Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income) for the period from 15 October 2019 to 31 March 2020, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

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

Basis for Opinion

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

Other Information

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

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

Independent Auditor's Report (Continued)

Aditya Birla Power Composites Limited

Other Information (Continued)

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

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

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

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


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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Auditor's Report (Continued)

Aditya Birla Power Composites Limited

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

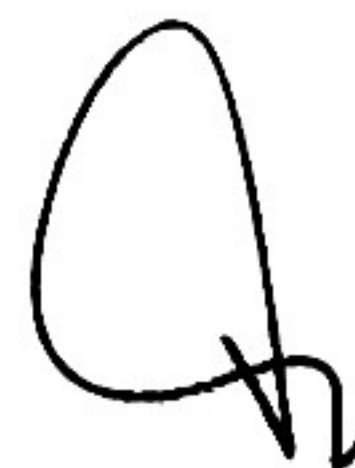
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



Independent Auditor's Report (Continued)
Aditya Birla Power Composites Limited
Report on Other Legal and Regulatory Requirements (Continued)

- c) The balance sheet, the statement of profit and loss (including other comprehensive income) for the period 15 October 2019 to 31 March 2020, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 shall not be applicable as the Company was incorporated on 15 October 2019.



Independent Auditor's Report (Continued)
Aditya Birla Power Composites Limited
Report on Other Legal and Regulatory Requirements (Continued)

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has not paid remuneration paid by the company to its directors during the current year hence the provisions of Section 197 of the Act are not applicable to the Company for the year ended 31 March 2020.

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022


Vikas R Kasat
Partner

Place: Mumbai
Date: 22 May 2020

Membership No. 105317
ICAI UDIN: 20105317AAAABQ1932

Aditya Birla Power Composites Limited

Annexure - A to the Independent Auditor's Report on financial statements of Aditya Birla Power Composites Limited for the period ended 31 March 2020

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

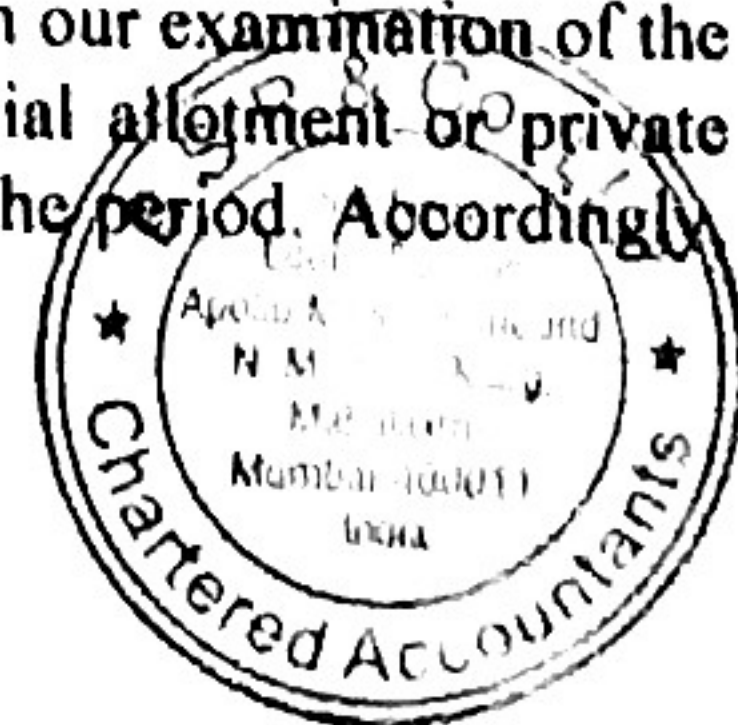
With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the period from 15 October 2019 to 31 March 2020, we report the following:

- (i) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have fixed assets (property plant and equipment) in its books. Accordingly, the provision of Paragraph 3(i) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have Inventory in its books. Accordingly, the provision of Paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, investments, guarantees and securities covered under section 185 and 186 of the Act apply. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by Reserve Bank of India, provisions of sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the period ended 31 March 2020. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.



Annexure – A to the Independent Auditor's Report – 31 March 2020
financial statements (Continued)

- (vii) (a) According to the information and explanations given to us and based on records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues of income-tax and goods and service tax, with the appropriate Authorities. According to the information and explanations given to us and based on records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues of income-tax and goods and service tax, with the appropriate authorities. As explained to us the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise and value added tax, cess, investor education and protection fund and any other statutory dues to the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax and goods and service tax, dues were in arrears as at 31 March 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 are no dues of income-tax and goods and service tax, which have not been deposited with the appropriate authorities on account of any dispute as at 31 March 2020.
- (viii) The Company did not have any outstanding loans or borrowing from any financial institution, bank, government or dues to debenture holders during the period. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the period. Accordingly, paragraph 3(ix) of the order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period.
- (xi) According to the information and explanations give to us and based on our examination of the records, the Company has not paid or provided for managerial remuneration for the period ended 31 March 2020. Accordingly, paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examinations of the records of the Company, transactions with related parties are in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24. The Company does not fall under the definition of a listed Company or other class of Companies which is required to constitute an audit committee under section 177 of the Act, the said section is not applicable to the Company and hence, to this extent paragraph 3(xiii) of the order is not applicable to the Company.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.



Annexure – A to the Independent Auditor's Report – 31 March 2020
financial statements (*Continued*)

- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

Place: Mumbai
Date: 22 May 2020

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


Vikas R. Kasat
Partner

Membership No: 105317
ICAI UDIN : 20105317AAAABQ1932

Aditya Birla Power Composites Limited

Annexure B to the Independent Auditors' report on the financial statements of Aditya Birla Power Composites Limited for the period 15 October 2019 to 31 March 2020

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

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

Opinion

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



Aditya Birla Power Composites Limited

Annexure B to the Independent Auditors' report on the financial statements of Aditya Birla Power Composites Limited for the year ended 31 March 2020 (Continued)

Auditors' Responsibility (Continued)

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

Place: Mumbai
Date: 22 May 2020

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


Vikas R. Kasat
Partner

Membership No. 105317
ICAI UDIN: 20105317AAAABQ1932

ADITYA BIRLA POWER COMPOSITES LIMITED

Balance Sheet as at 31st March, 2020

		Note no.	Amount in Rs As at 31st March, 2020
I	ASSETS		
(1)	Non-current assets		
	(a) Capital work-in-progress	2	1,17,68,571
	(b) Right of Use Assets	3	9,34,00,176
			<u>10,46,68,747</u>
(2)	Current assets		
	(a) Financial assets		
	(i) Cash and cash equivalents	4	7,50,465
	(ii) Loans	5	10,000
	(b) Other current assets	6	25,11,437
			<u>32,71,902</u>
	Total assets		<u>10,79,40,649</u>
II	EQUITY AND LIABILITIES		
(1)	Equity		
	(a) Equity share capital	7	10,00,000
	(b) Other equity	8	(13,19,164)
	Total equity		<u>(3,19,164)</u>
(2)	LIABILITIES		
	Non-current liabilities		
	Financial Liabilities		
	Lease Liability		<u>8,94,02,338</u>
			<u>8,94,02,338</u>
(3)	Current liabilities		
	(a) Financial liabilities		
	Lease Liability	9	48,25,390
	Other Financial Liabilities	10	11,48,148
	(b) Other Current Liabilities	11	1,28,83,937
			<u>1,88,57,475</u>
	Total liabilities		<u>10,82,59,813</u>
	Total equity and liabilities		<u>10,79,40,649</u>

Significant accounting policies

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

For B S R & Co. LLP
Chartered Accountants
MCA Firm registration no. 824982E/E300003

Vikas R. Kase
Partner
Membership No. 105317

Signature

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

Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796

Signature

Brijesh Kumar
Chief Financial Officer
Membership No. 403680

Signature

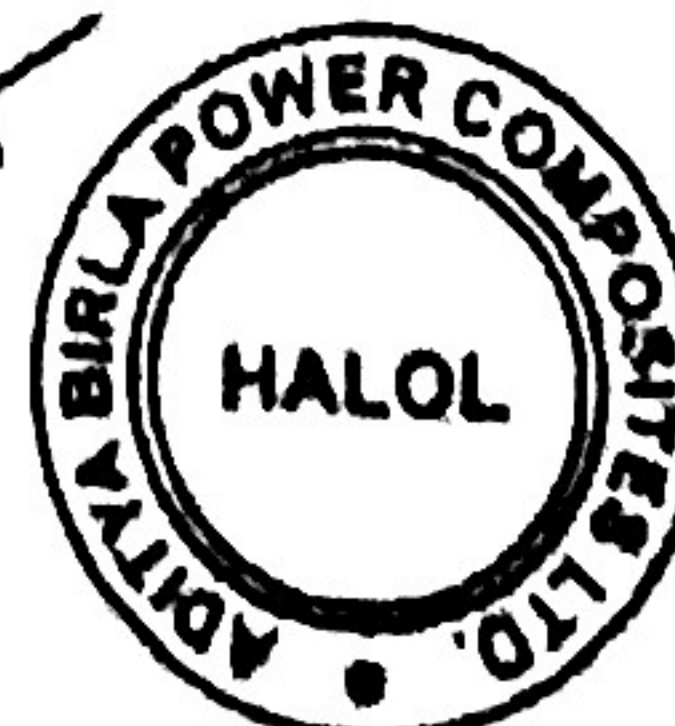
Kalyan Ram Madabhuni
Chairman & Director
DIN: 08116290

Signature

Neha Sharma
Company Secretary
Membership No. A3254

Signature

Place: Mumbai
Date: 22/06/2020



ADITYA BIRLA POWER COMPOSITES LIMITED

Statement of Profit and Loss for the period 15 October 2019 to 31 March 2020

	<u>Note no.</u>	<u>Amount in Rs Period Ended 31st March, 2020</u>
EXPENSES		
Other expenses	12	13,19,164
Total expenses		<u>13,19,164</u>
Profit before tax		<u>(13,19,164)</u>
Tax expenses		-
Profit / (Loss) for the year		<u>(13,19,164)</u>
Other comprehensive income for the year		-
Total comprehensive income for the year		<u>(13,19,164)</u>
Basic / diluted earnings per share (Face value of ` 10/- each)	13	(18.96)
Significant accounting policies	1	
The accompanying notes are an integral part of the financial statements.		

For BSR & Co. LLP
Chartered Accountants
ICAI Firm registration no. 324982E/E300003

Vikas R Kasat
Partner
Membership No. 105317

Signature

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

Rohit Pathak
Director & Chief Executive
DIN: 08539796

Rohit Pathak
Signature

Brijesh Kumar
Chief Financial Officer
Membership No. 403680

Brijesh Kumar
Signature

Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290

Kalyan Ram Madabhushi
Signature

Neha Sharma
Company Secretary
Membership No. A52583

Neha Sharma
Signature

Place: Mumbai
Date: 22/05/2020



ADITYA BIRLA POWER COMPOSITES LIMITED		
Statement of cash flow for the period ended 31st March, 2020		
PARTICULARS	Amount in Rs	
	For the period ended 31st March, 2020	
A CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax		(13,19,164)
Adjustments for Non Cash Items		(13,19,164)
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		
Adjustments for working capital changes		2,16,413
Statutory dues payable		(11,02,750)
CASH GENERATED FROM OPERATIONS		
Income taxes refund / (paid) (net)		(11,02,750)
NET CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES		
B CASH FLOW FROM INVESTING ACTIVITIES		
Deposits given	(10,000)	
Preoperating expenses net of payable to Joint Venture partner. Refer Note 1 b	8,63,216	8,53,216
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		8,53,216
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	10,00,000	10,00,000
NET CASH (USED IN) FINANCING ACTIVITIES		10,00,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		7,50,465
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		7,50,465

Note 1

Capital work-in-progress/Pre-Operative Expenses

(1,12,68,571)

Capital Payables

11,48,148

Payable to Joint Venture Partner (Cost incurred on behalf of the company)

1,34,95,075

Capital Advances given

(25,11,437)

Significant accounting policies

The accompanying Notes are an integral part of the Financial statements

1

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration no. 324982E/E300083

Vijay R Kasi

Partner

Membership No. 105317

Signature

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

Rohit Pathak

Director & Chief Executive Officer

DIN: 08539796

Signature

Brishesh Kumar

Chief Financial Officer

Membership No. 403680

Signature

Kalyan Ram Madabhushi

Chairman & Director

DIN: 08116290

Signature

Neha Sharma

Company Secretary

Membership No. A32583

Signature

Place: Mumbai
Date: 22/05/2020



ADITYA BIRLA POWER COMPOSITES LIMITED

Statement of changes in equity for the period ended 31st March, 2020

(A) EQUITY SHARE CAPITAL

For the period ended 31st March 2020

Particulars	Amount in Rs
	31st March 2020
Issue, subscribed and fully paid up Equity share capital	
1,00,000 Equity Share of Face value of Rs. 10 each	10,00,000
Balance at the end of the period	10,00,000

(B) OTHER EQUITY

For the period ended 31st March 2020

Particulars	Reserves and Surplus - Retained Earnings	Total Other Equity
Loss for the period	(13,19,164)	(13,19,164)
Other Comprehensive Income/(loss) for the period		
Total Comprehensive Income	(13,19,164)	(13,19,164)
Balance as at 31st March, 2020	(13,19,164)	(13,19,164)

Significant accounting policies

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

1

For B S R & Co. LLP
Chartered Accountants
CAI Firm registration no. 324982E/E300003
Vikas R Kasar
Partner
Membership No. 105317

Signature

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

Rohit Pathak
Director & Chief Executive Officer
DIN: 08539796

Signature

Kalyan Ram Madabhushi
Chairman & Director
DIN: 08116290

Signature

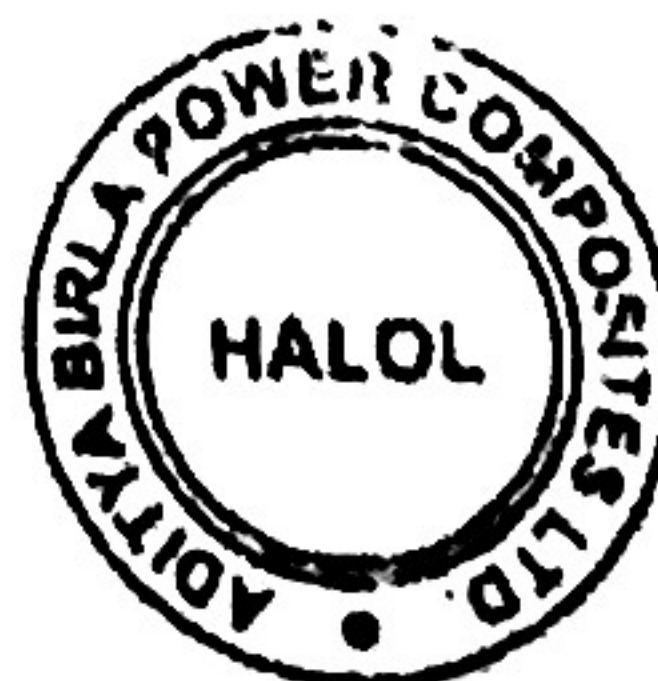
Brijesh Kumar
Chief Financial Officer
Membership No. 403680

Signature

Neha Sharma
Company Secretary
Membership No. AS2583

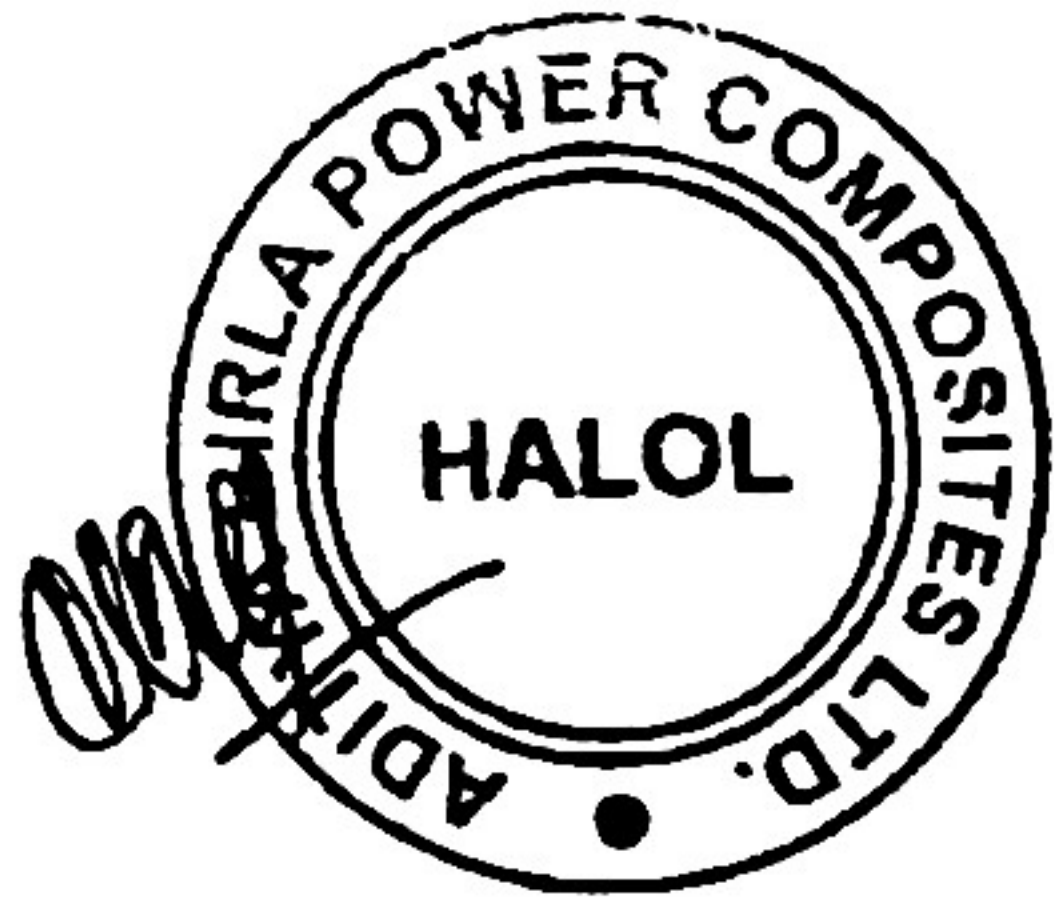
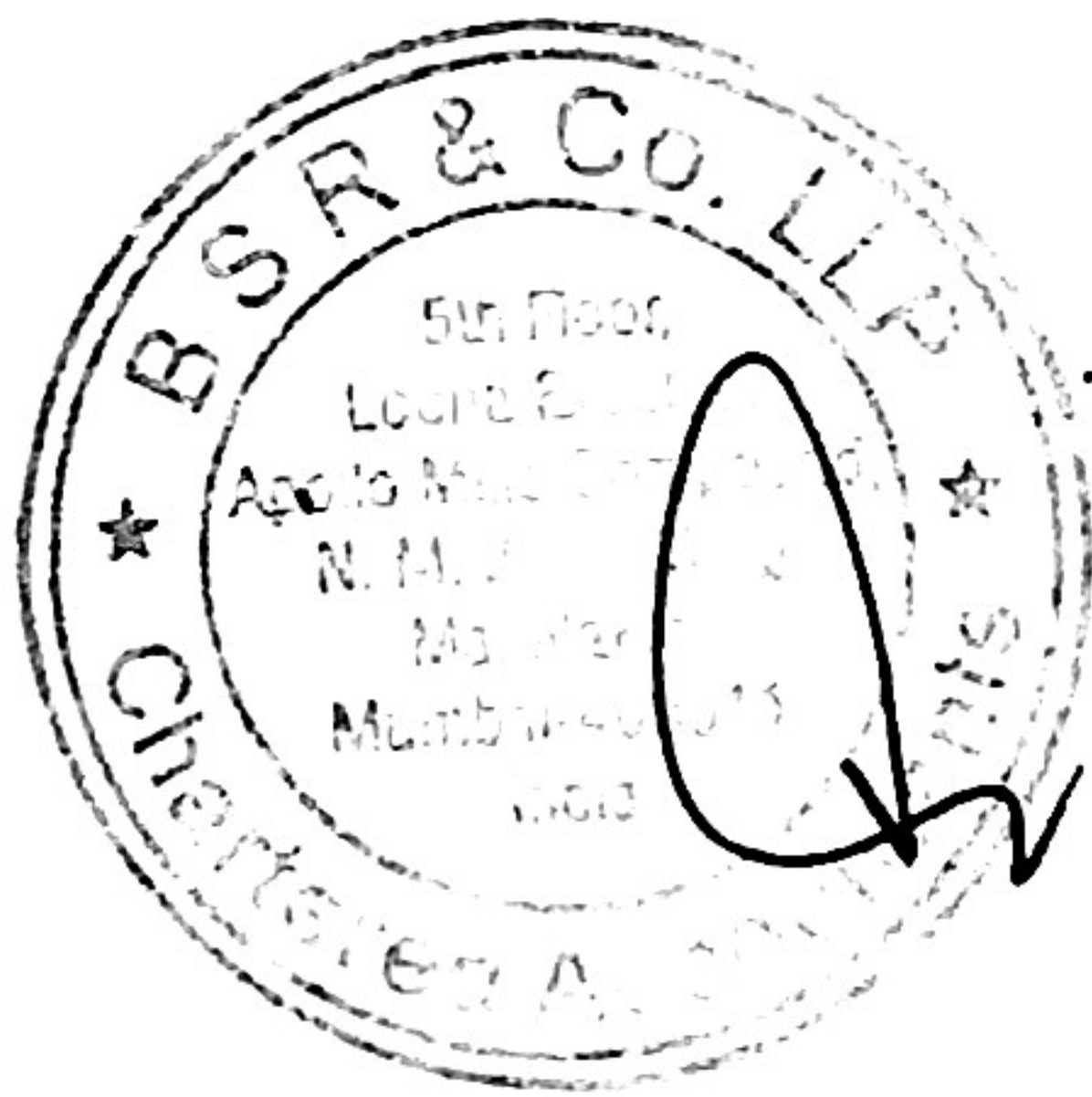
Signature

Place: Mumbai
Date: 22/05/2020



NOTE: 2
Pre-Operative Expenses Pending Allocation included in Capital Work-in-Progress:

Expenditure incurred during the period	
Employee Benefits Expense	
Salaries, Wages and Bonus	11,85,982
Repairs and Maintenance	5,69,644
Depreciation	16,64,087
Finance Cost	13,42,387
Legal and Professional Charges	59,12,487
Travelling and Conveyance	2,41,984
Miscellaneous Expenses	3,52,000
	<u>1,12,68,571</u>
Less: Income Earned during the period	-
Total Pre-Operative Expenses incurred during the period	-
Less: Pre-Operative Expenditure Allocated to PPE during the Period	-
Less: Pre-Operative Expenditure Charged to Statement of Profit and Loss during the Period	-
Total Pre-Operative Expenses Pending Allocation	<u>1,12,68,571</u>

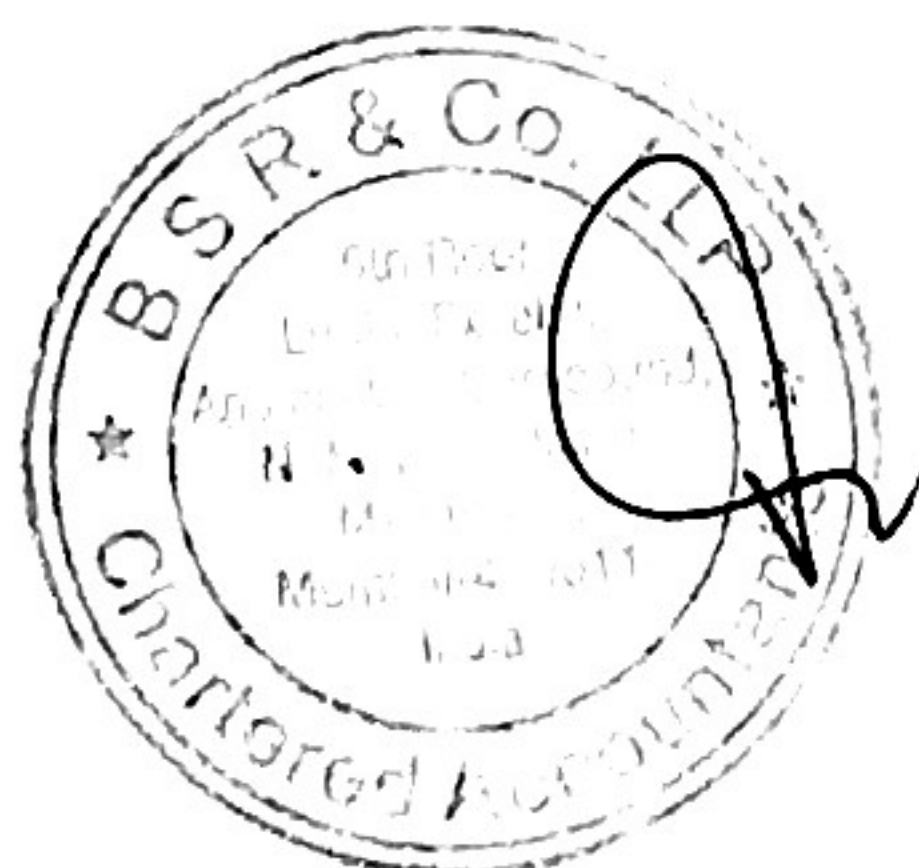


ADITYA BIRLA POWER COMPOSITES LIMITED

Notes to financial statements for the period ended 31st March,

NOTE: 3**Right of Use -Asset****Amount in Rs**

Particulars	Leasehold Land	TOTAL
Gross Block		
Additions	9,50,64,263	9,50,64,263
Transfer to Investment Property	-	-
As at 31st March, 2020	9,50,64,263	9,50,64,263
Accumulated Depreciation		
For the period	16,64,087	16,64,087
Deletions/Adjustments	-	-
As at 31st March, 2020	16,64,087	16,64,087
Transfer to Investment Property	-	-
Deletions/Adjustments	-	-
As at 31st March, 2020	16,64,087	16,64,087
Net Block as at 31st March, 2020	9,34,00,176	9,34,00,176



ADITYA BIRLA POWER COMPOSITES LIMITED**Notes to financial statements for the period ended 31st March, 2020**

Amount in Rs
As at
31st March, 2020

NOTE: 4**Cash and cash equivalents****Balances with banks****Current accounts**

7,50,465

7,50,465

NOTE: 5**Current financial assets - Loans****Unsecured (Considered Good, except otherwise stated)****(Carried at amortised cost, except otherwise stated)****Security deposit**

10,000

10,000

NOTE: 6**Other current assets****Unsecured (Considered Good, except otherwise stated)****Balances with government authorities**

9,07,565

Capital Advance

16,03,872

25,11,437



ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the period ended 31st March, 2020

Amount in Rs

As at
31st March, 2020

NOTE: 7

Share capital

Authorised:

4,50,00,000 equity shares of ` 10/- each

45,00,00,000

45,00,00,000

Issued, subscribed and paid-up:

Equity share capital

1,00,000 equity shares of ` 10 each

10,00,000

10,00,000

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

S. No.	Description	As at 31st March 2020	
		Equity Shares	Amount
1	Issued during the period	1,00,000	10,00,000
2	Shares outstanding at the end of the period	1,00,000	10,00,000

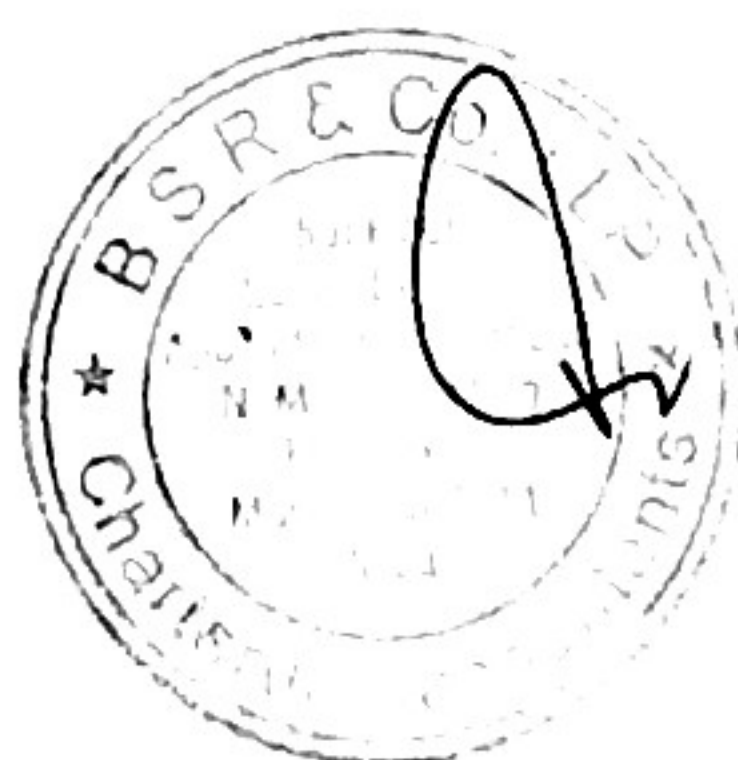
2 Term/right attached to equity shares

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

3 Details of shares held by holders holding more than 5% shares in the company as on 31st March, 2020:-

S. No.	Name of Share Holder	As at 31st March 2020	
		No of Shares held	% of total paid-up equity share capital
1	Grasim Industries Limited with its Nominees	51,000	51%
2	Maschinenfabrik Reinhausen GmbH	49,000	49%

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



ADITYA BIRLA POWER COMPOSITES LIMITED
Notes to financial statements for the period ended 31st March, 2020

Amount in Rs

NOTE: 8
Other equity

- 1) Reserves and Surplus - Retained Earnings
i) Deficit as per Statement of Profit and Loss
(Loss) for the period

(13,19,164)
(13,19,164)
(13,19,164)

Total Other Equity



ADITYA BIRLA POWER COMPOSITES LIMITED

Notes to financial statements for the period ended 31st March, 2020

Note 9

Leases

As Lessee

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

	Amount during the period	Deletion during the Period	Depreciation for the period	Amount in Rs Balance at 31 March 2020
Land	9,50,64,263	-	16,64,087	9,34,00,176
Building	-	-	-	-
Plant and Machinery	-	-	-	-
Equipments	-	-	-	-
Furniture and Fixures	-	-	-	-
Vehicle	-	-	-	-
Others (specify)	-	-	-	-
Total	9,50,64,263	-	16,64,087	9,34,00,176

(B) Maturity analysis of lease liabilities

Amount in Rs	As on 31st March, 2020
Maturity analysis – contractual undiscounted cash flows	
Less than one year	1,26,49,632
One to five years	5,45,08,982
More than five years	7,49,26,951
Total undiscounted lease liabilities at 31 March 2020	14,20,85,564
Lease liabilities included in the statement of financial position	
Current	48,25,390
Non-Current	8,94,02,338

(C) Amounts recognised in profit or loss

Amount in Rs	Period ended 31st March, 2020
Particulars	
Interest on lease liabilities	13,42,387
Variable lease payments not included in the measurement of lease liabilities	-
Expenses relating to short-term leases	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-
Income from sub-leasing right-of-use assets	-

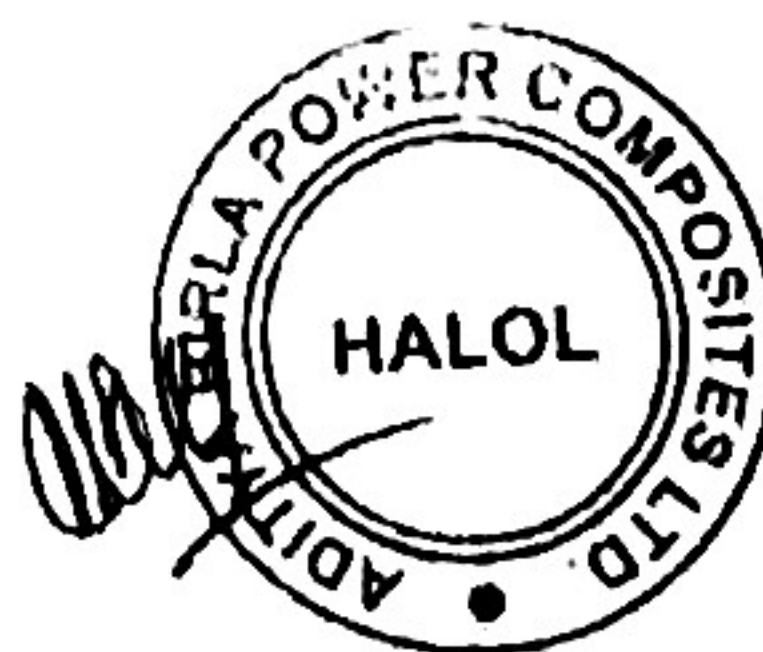
(D) Amounts recognised in the statement of cash flows

Amount in Rs	Period ended 31st March, 2020
Particulars	
Opening Lease liability	-
Add: Implementation of AS 116 lease liability balance on 1st Apr'19	-
Add: New Contract under leases	9,50,64,263
Add: Interest on lease liability included in preoperative expenses	13,42,387
Less: Closing Liability as on 31st Mar'20	9,42,27,728
Total cash outflow for leases	21,78,922

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

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

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



ADITYA BIRLA POWER COMPOSITES LIMITED

Notes to financial statements for the period ended 31st March, 2020

Amount in Rs

As at

31st March, 2020

NOTE: 10

Other Financial Liabilities

Payables for Capital expenditure

11,48,148

11,48,148

NOTE: 11

Other current liabilities

Statutory dues

2,16,413

Payable to Joint Venture partner (Cost incurred on behalf of the company)

1,23,52,524

Other Payables

3,15,000

1,28,83,937



ADITYA BIRLA POWER COMPOSITES LIMITED

Notes to financial statements for the period ended 31st March,

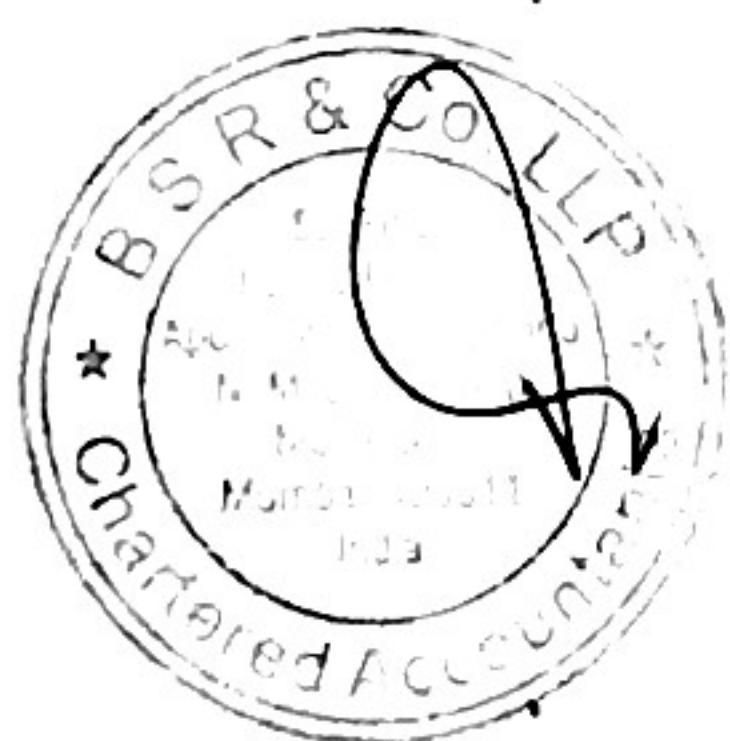
Amount in Rs
Period Ended
31st March, 2020

NOTE: 12**Other expenses**

Consumption of Stores and Spares	1,42,742
Conveyance expenses	34,089
Auditors' remuneration	3,50,000
Printing and Stationery	1,38,032
Books and Periodicals	300
Bank Charges	4,387
Welfare expenses	3,85,059
Miscellaneous expenses	2,64,554
	<hr/> 13,19,164 <hr/>

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

Audit Fee	3,50,000
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ADITYA BIRLA POWER COMPOSITES LIMITED

Notes to financial statements for the period ended 31st March, 2020

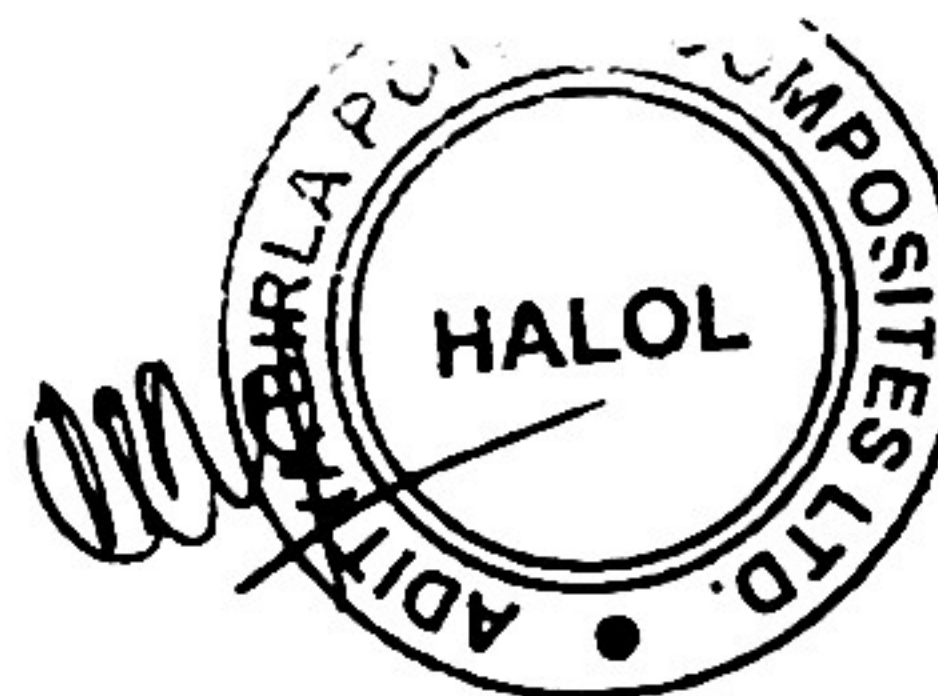
13 Earning Per Share (EPS)

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

Particulars	As at 31st March 2020
Net loss as per the statement of profit and loss (Rs)	(13,19,164)
Weighted average number of equity shares	69,586
Basic/diluted EPS (Rs)	(19)
Nominal value of shares (Rs)	10.00

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

Particulars	As on 31st March 2020
Disputed Claims against the Company not acknowledged as Debts	-
Less : Provision made against the Claims in Books	-
Contingent Liability not provided for in the Books	-



15 Disclosure in respect of related parties pursuant to SIB AS 14:

Amount in Rs

- a) List of related parties:
1. Joint Venture Parties
Grain Industries Limited
Maschinenfabrik Reinhausen GmbH

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

Sr. No.	Particulars	Period Ended
		31st March 2020
	Nature of Transactions:	
1	Allocation of equity shares	
	Grain Industries Limited	1,18,000
	Maschinenfabrik Reinhausen GmbH	4,90,000
		16,00,000
2	Lease rent	
	Grain Industries Limited	21,78,922
		21,78,922
3	Reimbursement of expenses	
	Grain Industries Limited	1,01,73,602
		1,01,73,602
3	Outstanding Balances:	
	Amount Payable	
	Grain Industries Limited	1,23,52,524
		1,23,52,524

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

- 16 The Company has offered to issue right shares to its existing share holders of 1,500,000 equity shares of the face value Rs. 10 each at a price of Rs. 10 each aggregating to Rs. 15,000,000 on 1 February 2020. Offer is valid from 15 May 2020 to 29 May 2020 as per the terms mentioned in the said letter of offer.

17 Financial risk management objectives and policies

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

18 Other Matters

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

19 Previous year comparative

The financial statements have been prepared for the period 15 October 2019 (date of incorporation) to 31 March 2020 and this being the Company's first year of incorporation there are no prior period comparatives

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration no. 334082E/1300008
M. S. Kulkarni
Partner
Membership No. 105317

Signature

Place: Mumbai
Date: 22/05/2020

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

Rohit Pathak
Director & Chief Executive Officer
DIN: 08538726
Signature

Brishabh Kumar
Chief Financial Officer
Membership No. 682608
Signature

Kalyan Ravi Madabhushi
Chairman & Director
DIN: 08116298
Signature

Rishi Sharma
Company Secretary
Membership No. A52543
Signature



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 15th OCTOBER 2019 TO 31st MARCH, 2020

CORPORATE INFORMATION

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance:

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

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 22nd May 2020.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

- Certain financial assets and liabilities at fair value [refer accounting policy regarding financial instruments]

1.3 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

1.4 Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis.

1.5 Judgements, assumptions and estimation uncertainties

Information about judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period 15 October 2019 to 31 March 2020 such as



A handwritten signature in black ink, appearing to be a stylized 'A' or 'B'.



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 15th OCTOBER 2019 TO 31st MARCH, 2020

Determination of Borrowing rate for the purpose of recognition of right-of-use assets based on the management estimation considering the future expected borrowing rate to the company.

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

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

1.7 Treatment of Expenditure during Construction Period:

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

1.8 Depreciation:

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

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

The Company has used the following useful life of the Leasehold land to provide depreciation.

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

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

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

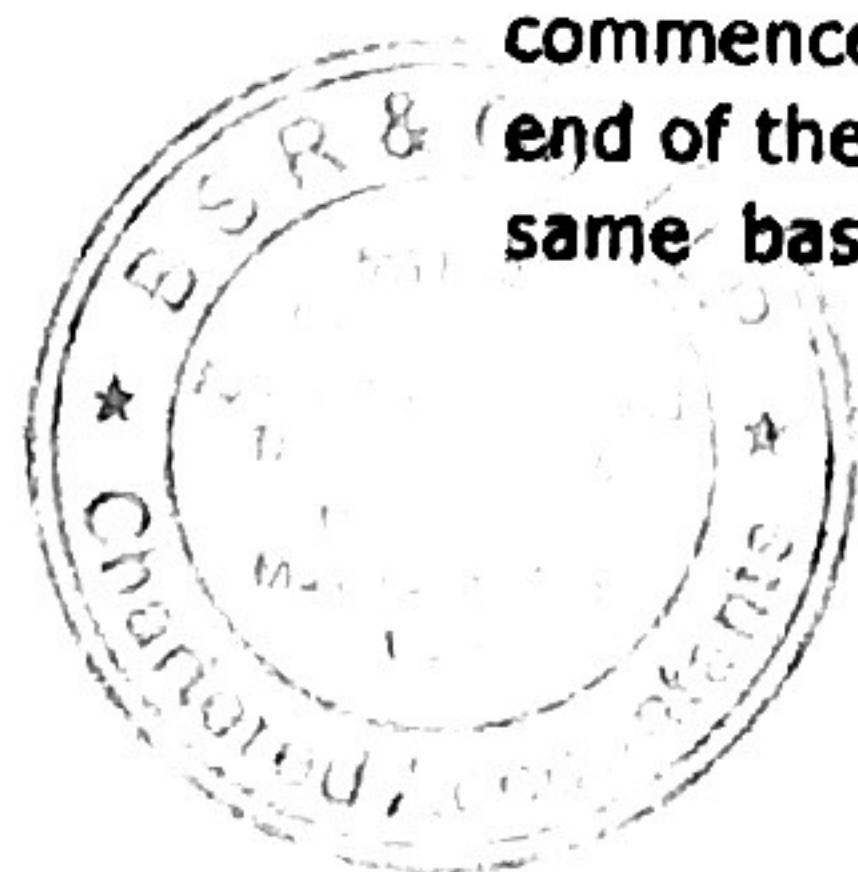
Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition, and in case of a new Project, from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

1.9 Leases:

As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 15th OCTOBER 2019 TO 31st MARCH, 2020

periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

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

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

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

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

1.10 Cash and Cash Equivalents

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

1.11 Cash Flow Statement

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

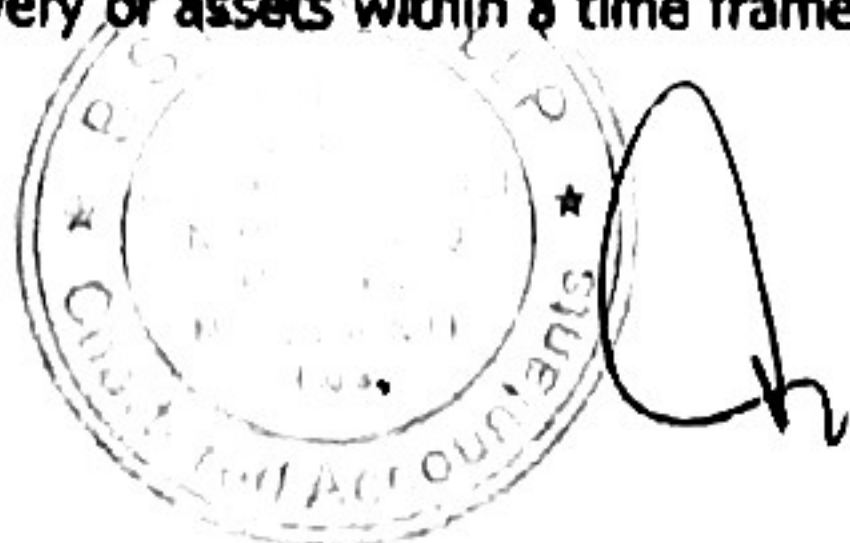
1.12 Financial Instruments:

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

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 15th OCTOBER 2019 TO 31st MARCH, 2020

(regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Classification and subsequent measurement

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

(i) Financial assets measured at amortised costs

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

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

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

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

Derecognition

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

Financial Liabilities:

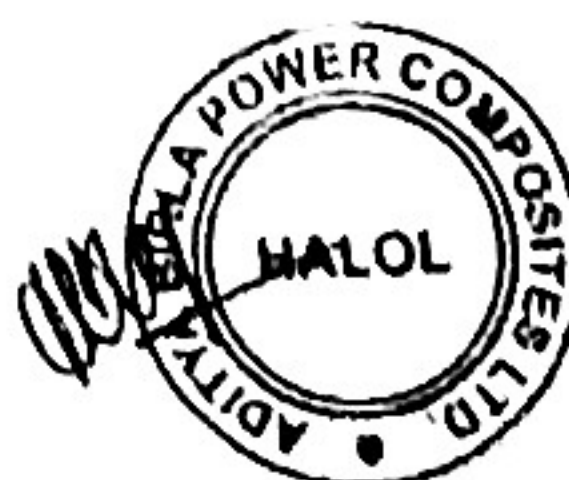
Recognition, measurement and classification

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

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

Derecognition

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



ADITYA BIRLA POWER COMPOSITE LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD 1st OCTOBER 2019 TO 31st MARCH, 2020

1.13 Provision for Current and Deferred Tax:

Current Income Tax:

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

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

1.14 Provisions and Contingent Liabilities:

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

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

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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

1.15 Earnings Per Share (EPS):

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

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

The financial statements of the Company for the year ended 31 March 2020 were approved for issue in accordance with the resolution of the Board of Directors on 22 May 2020.

