12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Birla Estates Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Birla Estates Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADD4765

Place of Signature: Mumbai
Date: June 05, 2020

Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

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

b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment and inventories are held in the name of the company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

iii. a) The Company has granted loans to two firms covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

b) The Company has granted loans to two firms covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and there are no repayments due till date.

c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provision of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

vii. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, goods and service tax and cess which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve/ Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADD4765

Place of Signature: Mumbai
Date: June 05, 2020

Annexure 2 To the Independent Auditor's Report of Even Date on the Financial Statements of Birla Estates Private Limited

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

We have audited the internal financial controls over financial reporting of Birla Estates Private 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADD4765

Place of Signature: Mumbai
Date: June 05, 2020

Birla Estates Private Limited
Balance Sheet as at 31st March 2020

		Note No.	As at 31 March 2020 In Rs.	As at 31 March 2019 In Rs.
I	**ASSETS**			
	NON-CURRENT ASSETS			
(a)	Property, Plant and Equipment	3	5,31,08,499	44,697
(b)	Capital Work in Progress		52,64,353	7,84,054
(c)	Intangible Assets	4	71,88,210	1,93,206
(d)	Financial Assets			
	(i) Loans	5	1,95,42,69,196	-
	(ii) Investment in Subsidiaries	6	10,00,000	-
(e)	Non Current Tax Assets (Net)	7	1,43,26,262	58,25,045
(f)	Other Non-current Assets	11	38,34,629	-
	SUB-TOTAL		2,03,89,91,149	68,47,002
	CURRENT ASSETS			
(a)	Inventories	8	1,54,21,13,160	71,40,42,450
(b)	Financial Assets			
	(i) Cash and Cash Equivalents	9	11,14,31,201	8,50,37,874
	(ii) Loans	5	21,28,82,894	-
	(iii) Other Financial Assets	10	18,77,940	-
(c)	Other Current Assets	11	27,29,97,919	86,08,799
	SUB-TOTAL		2,14,13,03,114	80,76,89,123
	TOTAL ASSETS		4,18,02,94,263	81,45,36,125
II	**EQUITY AND LIABILITIES**			
	EQUITY			
(a)	Equity Share Capital	12	1,67,05,00,000	82,05,00,000
(b)	Other Equity	13	(89,05,31,048)	(12,06,56,647)
	SUB-TOTAL		77,99,68,952	69,98,43,353
	LIABILITIES			
	NON-CURRENT LIABILITIES			
(a)	Financial Liabilities			
	(i) Borrowings	14	22,50,00,000	-
(b)	Provisions	15	73,65,051	34,64,282
	SUB-TOTAL		23,23,65,051	34,64,282
	CURRENT LIABILITIES			
(a)	Financial Liabilities			
	(i) Borrowings	14	1,98,69,47,011	3,51,21,315
	(ii) Trade Payables	17		
	1) Outstanding dues from micro and small enterprises		-	-
	2) Outstanding dues from other than micro and small enterprises		29,92,88,465	6,34,53,843
	(iii) Other Financial Liabilities	18	13,99,733	451
(b)	Provisions	15	1,34,66,662	22,98,708
(c)	Other Current Liabilities	16	86,68,58,389	1,03,54,173
	SUB-TOTAL		3,16,79,60,260	11,12,28,490
	TOTAL		4,18,02,94,263	81,45,36,125
	Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Estates Private Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
per Abhishek Agarwal	**Manoj Fitkariwala**	**Yukti Taneja**	**Karat Tazhtetil Jithendran**	**Rajendra Kumar Dalmia**
Partner	Chief financial officer	Company secretary	Whole time director and chief executive officer	Director
Membership No: 112773			DIN: 01181998	DIN: 00040951
Place: Mumbai			Place: Mumbai	Place : Mumbai
Date: June 5, 2020			Date: June 5, 2020	Date: June 5, 2020

Birla Estates Private Limited
Statement of Profit and loss for year ended on 31st March 2020

	Particulars	Note No.	Year Ended 31 March 2020 In Rs.	Year Ended 31 March 2019 In Rs.
I	Revenue from operations	19	3,06,00,000	5,75,00,000
II	Other Income	20	9,36,58,882	11,80,464
III	**Total Revenue (I + II)**		12,42,58,882	5,86,80,464
IV	**EXPENSES**			
	(a) Employee benefit expense	21	45,67,81,260	8,87,88,934
	(b) Finance costs	22	8,61,20,511	1,34,795
	(c) Depreciation and amortisation expense	23	81,84,198	3,869
	(d) Other expenses	24	34,30,47,314	9,03,90,313
	Total Expenses (IV)		89,41,33,283	17,93,17,911
V	**Loss before tax**		(76,98,74,401)	(12,06,37,447)
VI	Tax expense/(income)	25		
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	Loss for the year (V- VI)		(76,98,74,401)	(12,06,37,447)
VII	**Other Comprehensive income**		-	-
VIII	**Total comprehensive income (VI+VII)**		(76,98,74,401)	(12,06,37,447)
IX	**Earnings per equity share (Nominal value per share is Rs 10 each):**			
	(1) Basic & Diluted earning per share (Refer note 26)		(8.81)	(5.95)
	Significant accounting policies	**2**		
	The accompanying notes are an integral part of these financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Estates Private Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
per Abhishek Agarwal	**Manoj Fitkariwala**	**Yukti Taneja**	**Karat Tazhtetil Jithendran**	**Rajendra Kumar Dalmia**
Partner	Chief financial officer	Company secretary	Whole time director and Chief executive officer	Director
Membership No: 112773			DIN: 01181998	DIN: 00040951
Place: Mumbai			Place: Mumbai	Place : Mumbai
Date: June 5, 2020			Date: June 5, 2020	Date: June 5, 2020

Birla Estates Private Limited
Cash Flow Statement for the year ended as on 31st March 2020

	For the year Ended 31 March 2020 (In Rs.)	For the year Ended 31 March 2019 (In Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) before tax	(76,98,74,401)	(12,06,37,447)
Add/(Less) :		
Depreciation and amortisation expense	81,84,198	3,869
Interest expense	8,61,20,511	1,34,795
Interest income	(9,36,58,882)	-
	(76,92,28,574)	(12,04,98,783)
Working capital adjustments :		
Decrease / (increase) in other current assets	(26,82,23,749)	(86,08,781)
Decrease / (increase) in other inventory	(81,47,27,479)	(71,40,42,450)
Decrease / (increase) in Other financial assets	(18,77,940)	-
(Decrease) / increase in other current liabilities	85,65,04,215	1,03,40,693
(Decrease) / increase in provision	1,50,68,723	57,62,990
(Decrease) / increase in other financial liabilities	(451)	451
(Decrease) / increase in trade payables	23,58,34,622	6,34,36,343
	2,25,77,941	(64,31,10,753)
Less: Tax paid	(85,01,216)	(58,25,045)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(75,51,51,849)	(76,94,34,582)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property plant and equipment and intangible assets	(7,27,23,303)	(10,25,826)
Investment in subsidiaries	(10,00,000)	-
Loan to subsidiaries	(2,07,56,32,650)	-
Interest received on fixed deposits	21,39,442	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	(2,14,72,16,511)	(10,25,826)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issuance of equity Share capital from holding company	85,00,00,000	82,00,00,000
Proceeds from long term borrowings	22,50,00,000	-
Proceeds from short term borrowings-Holding company	1,76,97,90,459	-
Proceeds from short term borrowings	18,21,56,552	3,50,00,000
Interest paid	(9,81,85,323)	-
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	2,92,87,61,688	85,50,00,000
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	2,63,93,328	8,45,39,592
Cash and cash equivalents at the beginning of the period	8,50,37,874	4,98,282
Cash and cash equivalents at the end of the period (refer note 9)	11,14,31,203	8,50,37,874

Significant accounting policies - refer note 2
The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Estates Private Limited

Sd/-
per Abhishek Agarwal
Partner

Membership No: 112773
Place: Mumbai
Date: June 5, 2020

Sd/-
Manoj Fitkariwala
Chief financial officer

Sd/-
Yukti Taneja
Company secretary

Sd/-
Karat Tazhtetil Jithendran
Whole time director and Chief executive officer

DIN: 01181998
Place: Mumbai
Date: June 5, 2020

Sd/-
Rajendra Kumar Dalmia
Director

DIN: 00040951
Place : Mumbai
Date: June 5, 2020

Birla Estates Private Limited
Statement of changes in equity for the year ended 31st March 2020

(Amount in Rs.)

Particular	Equity share capital	Other equity (Retained earnings)	Total equity
As at 01 April 2018	5,00,000	(19,200)	4,80,800
Issuance of equity share capital	82,00,00,000	-	82,00,00,000
Loss during the period	-	(12,06,37,447)	(12,06,37,447)
As at 31 March 2019	**82,05,00,000**	**(12,06,56,647)**	**69,98,43,353**
Issuance of equity share capital	85,00,00,000	-	85,00,00,000
Loss during the period	-	(76,98,74,401)	(76,98,74,401)
As at 31 March 2020	**1,67,05,00,000**	**(89,05,31,048)**	**77,99,68,952**

Significant accounting policies - refer note 2
The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Estates Private Limited

Sd/-
per Abhishek Agarwal
Partner

Membership No: 112773
Place: Mumbai
Date: June 5, 2020

Sd/-
Manoj Fitkariwala
Chief financial officer

Sd/-
Yukti Taneja
Company secretary

Sd/-
Karat Tazhtetil Jithendran
Whole time director and Chief executive officer
DIN: 01181998
Place: Mumbai
Date: June 5, 2020

Sd/-
Rajendra Kumar Dalmia
Director

DIN: 00040951
Place : Mumbai
Date: June 5, 2020

1. Corporate information

Birla Estates Private Limited is a private company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the company is located at Birla Aurora, level 8, Dr. Annie Besant Road, Worli, Mumbai - 400030. The Company is principally engaged in Real Estate Business.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on June 05, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and are presented in INR.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Fair Value Measurement

The company measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.4 Revenue from contract with customer

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

Goods and Service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company recognises revenue from facility management services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

Recognition of Revenue from Real Estate Projects:

a) Recognition of revenue from property development
Revenue is recognized upon transfer of control of residential units or service to customers, in an amount that reflects the consideration the Company expects to receive in exchange for those residential units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential unit.

b) Revenue from services
Revenue from facility management service is recognised at value of service and is disclosed net of indirect taxes, if any.

c) Interest Income
Interest income, including interest arising from other financial instruments, is accounted on an accrual basis at effective interest rate (EIR method).

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

2.5 Leases (Applied from 1 April 2019)

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a lessee

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and

estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.6 Taxes

Income tax expense comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax
Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.
Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.7 Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition/construction, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant
parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the property, plant and equipment is derecognised.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

2.8 Depreciation on property, plant and equipment

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful life
Building	4 years – 6 years
Computer	3 years
Plant & equipment	3 years – 10 years
Electric installations	3 years – 10 years
Furniture & fixtures	3- 10 years
Office equipment	3-10 years
Vehicles	5 -10 years

The management has estimated the above useful life and the same is supported by technical expert.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Cost of software capitalised is amortised over its useful life which is estimated to be a period of Six years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.10 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.12 Employee Benefits

Defined Contribution plans

Employee benefit in the form of Provident fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company provides for retirement benefit in the form of gratuity. The Company’s liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

Periodic contributions are charged to the Statement of profit and loss. The Company’s liability is determined based on an actuarial valuation using the projected unit credit method.

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.13 Foreign currencies

The Company’s financial statements are presented in INR, which is also the Company’s functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.14 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 plus, 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.

Subsequent measurement

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

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

2.15 Investment in Subsidiaries

The Company's investment in its subsidiaries are carried at cost.

2.16 Inventories

Real estate activity

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received

Real Estate Projects - Construction work-in-progress: Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate inventory is valued at lower of cost and net realisable value.

2.17 Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

2.18 Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs allocated to qualifying assets pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.19 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2.20 Segment Reporting

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of nature of product / services.

The Board of Directors of the Company has appointed the CEO as the Chief Operating Decision Maker (CODM) who is assessing the financial performance and position of the Group and makes strategic decisions.

2.21 New and amended standards

Several other amendments and interpretations apply for the first time in March, 2020 but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

- Ind AS 116 – Leases
- Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)
- Ind AS 23 – Borrowing Costs
- Ind AS 109 – Prepayment Features with Negative Compensation
- Ind AS 19 – Plan Amendment, Curtailment or Settlement

The Company does not have any significant impact of the above amendment on its financial statements.

2A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Employee benefit plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.
Further details about gratuity obligations are given in note 25.

b) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets

Birla Estates Private Limited
Notes to the financial statements for year ended on 31st March 2020

Note 3 : PROPERTY, PLANT AND EQUIPMENT

Description	Building	Computer	Electrical Installation	Plant & Machinery	Office Equipment	Furniture & Fixture	Vehicle	Total
Balance as at 31 March 2018	-	-	-	-	-	-	-	-
Additions	-	45,932	-	-	-	-	-	45,932
Disposals / sale of Assets	-	-	-	-	-	-	-	-
Balance as at 31st March 2019	**-**	**45,932**	**-**	**-**	**-**	**-**	**-**	**45,932**
Additions	3,64,74,756	39,11,087	5,52,906	30,52,391	22,22,106	71,01,987	75,07,652	6,08,22,884
Disposals / sale of Assets	-	-	-	-	-	-	-	-
Balance as at 31st March 2020	**3,64,74,756**	**39,57,019**	**5,52,906**	**30,52,391**	**22,22,106**	**71,01,987**	**75,07,652**	**6,08,68,816**
II. Accumulated depreciation								
Balance as at 31 March 2018	-	-	-	-	-	-	-	-
Depreciation during the year	-	1,235	-	-	-	-	-	1,235
Net Block as at 31st March 2019	**-**	**1,235**	**-**	**-**	**-**	**-**	**-**	**1,235**
Depreciation during the year	52,16,790	5,59,741	54,993	2,16,647	2,39,433	8,97,646	5,73,833	77,59,083
Disposals / sale of Assets	-	-	-	-	-	-	-	-
Balance as at 31st March 2020	**52,16,790**	**5,60,976**	**54,993**	**2,16,647**	**2,39,433**	**8,97,646**	**5,73,833**	**77,60,318**
III. Net block								
Balance as at 31st March 2019	-	44,697	-	-	-	-	-	**44,697**
Balance as at 31st March 2020	**3,12,57,965**	**33,96,043**	**4,97,913**	**28,35,744**	**19,82,672**	**62,04,341**	**69,33,819**	**5,31,08,498**

Note 4 : OTHER INTANGIBLE ASSETS

Description	Computer Software
Balance as at 31 March 2018	-
Additions	1,95,840
Disposals / sale of Assets	-
Balance as at 31 March 2019	**1,95,840**
Additions	74,20,120
Disposals/sale of Assets	-
Balance as at 31st March 2020	**76,15,960**
II. Accumulated depreciation	
Balance as at 31 March 2018	-
Depreciation during the year	2,634
Balance as at 31 March 2019	**2,634**
	-
Depreciation during the year	4,25,116
Disposals / sale of Assets	-
Balance as at 31st March 2020	**4,27,749**
III. Net block	
Balance as at 31st March 2019	**1,93,206**
Balance as at 31st March 2020	**71,88,210**

Financial Assets (Amount in Rs.)

NOTE : 5 LOANS (at amortised cost)

	As at 31 March 2020		As at 31 March 2019	
	Non Current	**Current**	**Non Current**	**Current**
Loans to subsidiaries				
- Unsecured, considered good				
Loan to Subsidiaries (refer note 'a' and 'b' below)	1,95,42,69,196	21,28,82,894	-	-
Total	1,95,42,69,196	21,28,82,894	-	-

a) Loan given to Avarna Projects LLP (Subsidiary)

i) **Non Current:**

Loan against purchase of land by the LLP amounting to Rs. 143.96 Crores (inclusive of accrued interest), As per the Land sale deed, 50% of the land purchase consideration shall be contributed by Birla Estates Private Limited. The rate of interest is 12% p.a. The repayment of the loan by LLP to the Company shall be made from net sales revenue after payment of taxes, development cost, external project finance and other expenses as mentioned in the LLP deed.

ii) **Current:**

Working capital loan given to LLP amounting to Rs. 19.23 Crore (inclusive of accrued interest). Rate of interest is 13.75% p.a.

b) Loan given to Birla Tisya LLP (Subsidiary)

i) **Non Current:**

Loan given to LLP amounting to Rs. 51.47 Crore (inclusive of accrued interest) towards interest free refundable security deposit (IFRD) payable by LLP to Subadra Textiles Private Limited (other Partner in LLP). The rate of interest is 10% p.a. The Loan shall be repayable by LLP from one year from the date of launch of the project.

ii) **Current:**

Working capital loan given to LLP amounting to Rs. 2.06 Crore (inclusive of accrued interest). Rate of interest is 18% p.a.

NOTE : 6 INVESTMENT IN SUBSIDIARIES

	As at 31 March 2020	As at 31 March 2019
Non - Current Investments (at cost)		
Investment in capital of Limited Liability Partnership firms (Subsidiaries)		
Avarna Projects LLP - Capital account	5,00,000	-
Birla Tisya LLP - Capital account	5,00,000	-
	10,00,000	-

Details of investments in Limited Liability Partnership firms (Subsidiaries)	Share of partner in profit / loss (%)	
	As at 31 March 2020	**As at 31 March 2019**
Avarna Projects LLP	50%	NIL
Birla Tisya LLP	40%	NIL

NOTE : 7 NON CURRENT TAX ASSET

	As at 31 March 2020	As at 31 March 2019
TDS receivable	1,43,26,262	58,25,045
Total	1,43,26,262	58,25,045

NOTE : 8 INVENTORIES (at cost or NRV whichever is lower)

	As at 31 March 2020	As at 31 March 2019
Construction Work-in-progress (Including Land)	1,54,21,13,160	71,40,42,450
Total	1,54,21,13,160	71,40,42,450

NOTE : 9 CASH AND CASH EQUIVALENTS

	As at 31 March 2020	As at 31 March 2019
(a) Balances with banks		
- Current Accounts	9,97,08,331	96,77,258
- Fixed Deposits with maturity less than 3 months (Including accrued interest)	-	7,53,60,616
- Cheques in hand	1,16,87,997	-
(b) Cash on hand	34,873	-
Total	11,14,31,201	8,50,37,874

(Amount in Rs.)

NOTE : 10 OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise specified)	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
a) Security Deposits (at amortised cost)	-	18,77,940	-	-
Total	-	18,77,940	-	-

NOTE : 11 OTHER ASSETS

(Unsecured, considered good, unless otherwise specified)	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
(a) Advances other than capital advances				
(i) Advances recoverable in cash				
a) Advance to Vendor	-	15,50,30,109	-	31,13,553
b) Prepaid	9,52,881	26,35,868	-	-
(ii) Cenvat / GST Receivable	-	56,35,987	-	54,95,246
(iii) Other Assets	-	10,96,95,955	-	-
(iv) Balances with government authorities (other than income taxes)	28,81,748	-	-	-
Total	38,34,629	27,29,97,919	-	86,08,799

NOTE : 12 EQUITY SHARE CAPITAL

		As at 31 March 2020	As at 31 March 2019
1(a)	**Authorised:**		
	20,00,00,000 (31 March 2019: 20,00,00,000) Equity shares of Rs.10/- each.	2,00,00,00,000	2,00,00,00,000
		2,00,00,00,000	2,00,00,00,000
1(b)	**Issued, Subscribed and paid up:**		
	16,70,50,000 (31 March 2019: 8,20,50,000) Equity shares of Rs.10/- each.	1,67,05,00,000	82,05,00,000
		1,67,05,00,000	82,05,00,000

1(c) **Terms / right attached to equity shares**

16,70,50,000 (31 March 2019: 8,20,50,000) Equity Shares of Rs. 10 each, fully paid up

(The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars		Opening	Fresh Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March 2020				
	No. of Shares	8,20,50,000	8,50,00,000	16,70,50,000
	Amount	82,05,00,000	85,00,00,000	1,67,05,00,000
Equity shares with voting rights				
Period ended 31 March 2019				
	No. of Shares	50,000	8,20,00,000	8,20,50,000
	Amount	5,00,000	82,00,00,000	82,05,00,000

1(d) **Shareholders holding more than 5% shares of the Company and share held by holding company**

Particulars	As at 31 March 2020	As at 31 March 2019
Class of shares / Name of shareholder	Number of shares held	Number of shares held
Equity shares with voting rights		
Century Textiles and Industries Limited (Holding Company)	16,70,49,999	8,20,49,999
% Holding company	100%	100%

1(e) The Company has not issued any equity share as bonus or for consideration other than cash and has not bought back any shares from its incorporation.

NOTE : 13 OTHER EQUITY

	As at 31 March 2020	As at 31 March 2019
RETAINED EARNINGS		
As per opening Balance Sheet	(12,06,56,647)	(19,200)
Add: Loss for the year	(76,98,74,401)	(12,06,37,447)
Total	(89,05,31,048)	(12,06,56,647)

Birla Estates Private Limited

Notes to the financial statements for the year ended 31st March 2020

NOTE : 14 BORROWINGS (Amount in Rs.)

(Measured at amortised cost)	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
Secured				
(a) Term Loan from Bank (Refer note i) (Repayable in 18 monthly instalments, last repayment in May 2023) (Rate of interest for term loan as on 31.03.2020 :- 9.50%)	22,50,00,000	-	-	-
(b) Bank overdraft (Refer note ii) (Working capital loan repayable on demand- Rate of interest on overdraft as at 31.03.2020 ranges from:- 8.25% p.a. to 8.95 p.a.%)	-	18,21,56,552	-	-
Unsecured				
(a) Loan from Holding company (Working capital loan repayable on demand - Rate of interest on loan as at 31.03.2020 :- 8.25 % p.a)	-	1,80,47,90,459	-	3,51,21,315
Total	22,50,00,000	1,98,69,47,011	-	3,51,21,315

Details of Security :-

(i) Term Loan from Bank:

Primary Security:

a. Exclusive charge on Land and Building situated at Shahad, Kalyan.

b. First & exclusive charge on current assets of the Company's project situated at Shahad, Kalyan.

Secondary Security:

Corporate guarantee of Holding Company 'Century Textiles & Industries Limited'.

(ii) Bank Overdraft: First Pari Passu charge on current assets of the Company, both present and future

NOTE : 15 PROVISIONS

	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
(a) Provision for employee benefits				
(1) Leave entitlement	73,65,051	89,79,885	34,64,282	-
(2) Gratuity (refer note 28)	-	44,86,777	-	22,98,708
Total	73,65,051	1,34,66,662	34,64,282	22,98,708

NOTE : 16 OTHER LIABILITIES

	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
(a) Advance from customers against sale of flat	-	82,30,49,049	-	-
(b) Amount from customers against stamp duty and registration fees	-	1,28,68,580	-	-
Statutory dues				
- Taxes payable	-	2,78,61,457	-	91,79,006
- Provident fund payable	-	30,79,303	-	11,75,167
Total	-	86,68,58,389	-	1,03,54,173

NOTE : 17 TRADE PAYABLES

	As at 31 March 2020	As at 31 March 2019
Trade payable - Other than micro and small enterprises	29,92,88,465	6,34,53,843
Total	29,92,88,465	6,34,53,843

NOTE : 18 Other Financial Liabilities (at amortised Cost)

	As at 31 March 2020 Non Current	As at 31 March 2020 Current	As at 31 March 2019 Non Current	As at 31 March 2019 Current
(a) Retention Money	-	-	-	451
(b) Others	-	1,952	-	-
(c) Interest Accrued but not due	-	13,97,781	-	-
Total	-	13,99,733	-	451

NOTE : 19 REVENUE FROM OPERATIONS

	Year Ended 31 March 2020	Year Ended 31 March 2019
Revenue from contract with customers		
(a) Sale of services	3,06,00,000	5,75,00,000
Total	3,06,00,000	5,75,00,000

Note (a) - Transaction price

Transaction price as per agreement is same as revenue from contract with customers.

Note (b) - Disaggregation of revenue

The company has a single stream of revenue i.e. providing facility management services to real estate developers.

Note (c) - Contract balances

	As at 31 March 2020	As at 31 March 2019
Contract Asset - Brokerage	10,96,95,955	-
Contract Liabilities - Advance from customers against sale of flats	82,30,49,049	-

Note (d) - Remaining performance obligations

There are no remaining performance obligations outstanding as at 31 March 2020 and 31 March 2019 with respect to providing facility management services to real estate developers.

In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential units which is not satisfied as at March 31, 2020 and hence no revenue has been recognised on sale of residential units. The Company expects to recognise revenue on sale of residential units in the following time band:

Time band	Year Ended 31 March 2020	Year Ended 31 March 2019
More than 3 years	4,49,73,31,179	-

(Amount in Rs.)

NOTE : 20	OTHER INCOME	Year Ended 31 March 2020	Year Ended 31 March 2019
	Income on loans given to subsidiaries	9,34,81,491	11,11,060
	Miscellaneous income	1,77,391	69,404
	Total	9,36,58,882	11,80,464

NOTE : 21	EMPLOYEE BENEFITS EXPENSE	Year Ended 31 March 2020	Year Ended 31 March 2019
	Salaries, Wages, Bonus, etc.	43,70,47,735	8,32,34,081
	Contributions to Provident and other funds (Refer note 28)	1,34,22,498	26,74,707
	Contribution to Gratuity Fund (Refer note 28)	21,88,069	22,98,708
	Staff welfare expenses	41,22,958	5,81,438
	Total	45,67,81,260	8,87,88,934

NOTE : 22	FINANCE COST	Year Ended 31 March 2020	Year Ended 31 March 2019
	Interest expense	9,58,85,526	1,34,795
	Interest expense on Bank Overdraft	35,78,216	-
	Less :- Borrowing costs inventorised	(1,33,43,231)	-
	Total	8,61,20,511	1,34,795

NOTE : 23	DEPRECIATION AND AMORTIZATION EXPENSE	Year Ended 31 March 2020	Year Ended 31 March 2019
	Depreciation of tangible assets (Refer note 3)	77,59,083	1,235
	Amortization of intangible assets (Refer note 4)	4,25,116	2,634
	Total	81,84,198	3,869

NOTE : 24	OTHER EXPENSES	Year Ended 31 March 2020	Year Ended 31 March 2019
	Buildings repairs	52,83,887	4,60,546
	Rent	1,12,60,538	22,06,570
	Rates and Taxes	14,98,815	1,99,46,470
	Advertisement and publicity	18,42,97,688	4,55,46,300
	Travelling expenses	2,11,48,129	42,58,359
	Payment to auditors (Refer note A below)	19,02,400	1,00,000
	Miscellaneous expenses	3,71,81,894	49,49,885
	Insurance	16,70,720	69,543
	Legal and Professional Fees	6,87,59,303	1,28,52,640
	Brokerage, discounts, incentives etc	1,00,43,940	-
	Total	34,30,47,314	9,03,90,313

	Note (A) Payment to auditors		
	Statutory audit fees	17,84,400	80,000
	Tax audit fees	1,18,000	20,000
	Total	19,02,400	1,00,000

(Amount in Rs.)

NOTE : 25 INCOME TAX

		Year Ended 31 March 2020	Year Ended 31 March 2019
a)	**Tax expense recognised in the Statement of Profit and Loss**		
	Current tax	-	-
	Deferred tax	-	-
	Net tax expenses recognised in the Statement Profit and Loss	-	-
b)	Income tax recognised in other comprehensive income	-	-
c)	Amounts recognised directly in equity	-	-
d)	**Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:**		
	Profit/(loss) before tax	(76,98,74,401)	(12,06,37,447)
	Income tax (expense)/income calculated at 25.17% (31 March 2019: 26%)	19,37,77,387	3,13,65,736
	Effect of deferred tax asset not recognized on tax losses	(19,37,77,387)	(3,13,65,736)
	Income tax expense recognised In profit or loss	-	-

Note: The tax rate used for above tax reconciliation for 31 March 2020 and 31 March 2019 is 26%.

e) Unrecognised deferred tax assets on tax losses / unused tax credit for which no deferred tax assets is recognised amount to Rs. 22,51,43,123/- and Rs. 3,13,65,736/- as at 31st March, 2020 and 31st March, 2019 respectively. The expiry of unrecognised Deferred Tax Asset is as detailed below:

As at 31st March, 2020 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Business losses including unabsorbed depreciation	Nil	Nil	22,51,43,123	22,51,43,123
Total	**Nil**	**Nil**	**22,51,43,123**	**22,51,43,123**

As at 31st March, 2019 Unrecognised deferred tax assets	Within one year	Greater than one year, less than five years	Greater than five years	Closing balance
Business losses including unabsorbed depreciation	Nil	Nil	3,13,65,736	3,13,65,736
Total	**Nil**	**Nil**	**3,13,65,736**	**3,13,65,736**

NOTE : 26 EARNINGS PER SHARE (EPS)

	Year Ended 31 March 2020	Year Ended 31 March 2019
Loss for the year for basic and diluted EPS	(76,98,74,401)	(12,06,37,447)
Weighted average number of equity share outstanding for diluted and basic EPS	8,73,91,530	2,02,69,178
Basic and diluted earnings per share (Rs.)	(8.81)	(5.95)

NOTE : 27 CONTINGENT LIABILITY AND COMMITMENT

Contingent Liability: There are no amount of claims against the company that are not acknowledged as debts or guarantees or other amounts for which the company is contingently liable as of 31 March 2020.

Commitments:

The Company has commitment of Rs. 41,73,33,820 as at 31 March, 2020 (31 March, 2019: Rs. Nil) towards purchase cost of base and additional FSI of projects in Avarna Projects LLP in accordance with the terms of LLP deed.

Note : 28 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS EXPENSE"

(a) Defined Contribution Plan:
The Company's contribution to provident fund amounting to Rs. 1,34,22,498 (31 March 2019: Rs. 26,74,707) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plan:
i) Gratuity
The Company has a defined benefit gratuity plan (non-funded).The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
Gratuity	**31-Mar-20**	**31-Mar-19**
Employee attrition rate	5.00%	5.00%
Discount rate	6.71%	7.60%
Expected rate of salary increase	5.00%	5.00%

Defined benefit plans – as per actuarial valuation on 31 March 2020

Particulars	**Funded Plan Gratuity**	
	31-Mar-20	**31-Mar-19**
I. (a) Expense recognised in the Statement of Profit and Loss for the year ended 31 March 2020		
Current Service Cost	15,98,911	23,82,611
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	5,89,158	(83,903)
Components of defined benefit costs recognised in profit or loss	**21,88,069**	**22,98,708**
I. (b) Included in other Comprehensive Income		
Remeasurement of gain/loss	1,41,830	31,428
Return on plan asset	(1,41,830)	(31,428)
	-	-
II. Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2020		
1. Present value of defined benefit obligation as at 31 March 2020	1,46,88,857	74,54,949
2. Fair value of plan assets as at 31 March 2020	1,02,02,080	51,56,241
Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2020	**44,86,777**	**22,98,708**
III. Change in the obligation during the year ended 31 March 2020		
1. Present value of defined benefit obligation at the beginning of the year	74,54,949	-
2. Liability to be Transferred in from holding company	51,87,669	51,87,669
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	15,98,911	23,82,611
- Past Service Cost	-	-
- Interest Expense (Income)	5,89,158	(83,903)
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Experience Adjustments	(1,41,830)	(31,428)
Present value of defined benefit Obligation at the end of the year	**1,46,88,857**	**74,54,949**
IV. Change in fair value of assets during the year ended 31 March 2020		
1. Fair value of plan assets at the beginning of the year	51,56,241	-
2. Fair Value of plan assets to be transferred in from holding company	51,87,669	51,87,669
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	(1,41,830)	(31,428)
Fair value of plan assets at the end of the year *	**1,02,02,080**	**51,56,241**

Expected Contribution during next Annual reporting period Rs 45.77 Lacs
*Plan assets for the obligation yet to be transferred from holding company and is recorded as receivable from holding company and adjusted against the outstanding provision.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		**Changes in assumption**	**Impact on defined benefit obligation**	
			Increase in assumption	**Decrease in assumption**
Discount rate	2020	1%	1,13,52,291	(1,32,59,459)
	2019	1%	73,52,388	(82,03,868)
Salary growth rate	2020	1%	(1,31,11,130)	1,14,63,948
	2019	1%	(82,11,133)	73,39,380

Maturity profile of defined benefit obligation:

Particular	**31-Mar-20**	**31-Mar-19**
Within 1 year	9,97,576	6,65,577
1 - 2 year	20,03,454	8,75,802
2 - 3 year	5,77,876	10,88,696
3 - 4 year	6,46,316	19,31,092
4 - 5 year	6,97,636	20,92,364
5 - 10 years	62,69,490	1,79,29,143
Total	**1,11,92,348**	**2,45,82,674**

Birla Estates Private Limited
Notes to the financial statements for the year ended 31st March 2020

Note : 29
RELATED PARTY DISCLOSURE

1 **Relationships:**
Where control exists:
(a) **Holding Company:**
Century Textiles and Industries Limited

(b) **Subsidiaries**
Avarna Projects LLP (incorporated on 19 June 2019)
Birla Tisya LLP (incorporated on 21 November 2019)

(c) **Key Management Personnel (KMP):**
Mr. K T Jithendran (Whole-time director and Chief executive officer) (w.e.f 1st January, 2019)

(Amount in Rs.)

Name of the related party	Transaction during the year	Year Ended 31 March 2020	Year Ended 31 March 2019
Century Textiles and Industries Limited	Issuance of equity share capital	85,00,00,000	82,00,00,000
	Sale of services		
	Development management fees	-	5,00,00,000
	Facility management fees	3,06,00,000	75,00,000
	Revenue Share Expenses	14,60,32,208	-
	Loan taken	2,64,91,39,800	3,50,00,000
	Loan repaid	87,93,49,341	-
	Interest expense on loan from holding company	8,40,81,904	1,34,795
Avarna Projects LLP	Partner Equity Share Capital Investment	5,00,000	-
	Loan given	1,55,55,42,850	-
	Interest accrued on loan given	7,63,20,543	-
Birla Tisya LLP	Partner Equity Share Capital Investment	5,00,000	-
	Loan given	52,00,89,800	-
	Interest accrued on loan given	1,51,98,897	-
Key Management Personnel*	Remuneration to KMP	6,36,05,576	1,61,12,159
Name of the related party	**Balance outstanding**	**As at 31 March 2020**	**As at 31 March 2019**
Century Textiles and Industries Limited	Loan balance including interest accrued	1,80,47,90,459	3,51,21,315
	Revenue Share Expenses	2,70,17,170	-
Avarna Projects LLP	Loan balance including interest accrued	1,63,18,63,393	-
Birla Tisya LLP	Loan balance including interest accrued	53,52,88,697	-
Key Management Personnel	Remuneration to KMP	1,30,93,442	45,57,557

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - ‘Employee Benefits’ in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is included above on payment basis.

Note : 30 CAPITAL MANAGEMENT

The Company's capital management objectives are:
- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of total equity including other equity reserves attributable to the shareholders of the company, borrowings less cash and cash equivalents and Intercompany loans as presented in the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. total equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	31-Mar-2020	31-Mar-2019
Equity share capital (refer note 12)	1,67,05,00,000	82,05,00,000
Other Equity (refer note 13)	(89,05,31,048)	(12,06,56,647)
Total Equity	**77,99,68,952**	**69,98,43,353**
Borrowings from holding company (refer note 14)	1,80,47,90,459	3,51,21,316
Loan given to Subsidiaries (refer note 5)	(2,16,71,52,090)	-
Add : Borrowing from bank OD/Term loan (refer note 14)	40,71,56,552	-
Less: Cash and cash equivalents (refer note 9)	(11,14,31,201)	(8,50,37,874)
	71,33,32,672	**64,99,26,795**

Note : 31 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities comprise of borrowings and trade payables. The Company's principal financial assets include cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A.Credit Risk
Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. It arises mainly from trade receivables and other financial assets. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

B.Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes borrowings and other financials assets.

(i) Currency Risk
The Company is not exposed to currency risk in current financial year as it does not have any foreign currency transactions.

(ii) Interest rate risk
The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has taken fixed rate of interest on borrowings from holding company and loans from banks are linked to MCLR rate of the bank, which are variable.

(iii) Equity Price Risk
The Company is not exposed to equity price risk in current financial year it does not have any equity investments.

C.Liquidity Risk

(i) Liquidity risk management
The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year.

(ii) Maturities of financial liabilities
The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(Amount in Rs.)

As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Borrowings (including interest accrued)	18,21,56,552	1,82,43,50,048	16,11,39,260	10,64,58,548	-	2,27,41,04,408
Trade payables						
- Trade payables - other than micro and small enterprises	-	29,92,88,465	-	-	-	29,92,88,465
Other Financial Liabilities	-	13,99,733	-	-	-	13,99,733
Total	**18,21,56,552**	**2,12,50,38,246**	**16,11,39,260**	**10,64,58,548**	**-**	**2,57,47,92,606**

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Borrowings (including interest accrued)	-	3,51,21,315	-	-	-	3,51,21,315
Trade payables						
- Trade payables - other than micro and small enterprises	-	6,34,53,843	-	-	-	6,34,53,843
Other Financial Liabilities	-	451	-	-	-	451
Total	**-**	**9,85,75,609**	**-**	**-**	**-**	**9,85,75,609**

(ii) Maturities of financial assets
The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Amount in Rs.)

As at 31 March 2020	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Cash and Cash Equivalents	-	11,14,31,201	-	-	-	11,14,31,201
Loans	-	21,28,82,894	-	1,95,42,69,196	-	2,16,71,52,090
Other financial Assets						
Security Deposits	-	18,77,940	-	-	-	18,77,940
Total	**-**	**32,61,92,035**	**-**	**1,95,42,69,196**	**-**	**2,28,04,61,231**

As at 31 March 2019	On Demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total
(a) Non Derivative financial instruments						
Cash and Cash Equivalents	-	8,50,37,874	-	-	-	8,50,37,874
Total	**-**	**8,50,37,874**	**-**	**-**	**-**	**8,50,37,874**

Note : 32 FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Borrowings (including interest accrued)	2,21,19,47,011	2,21,19,47,011	3,51,21,315	3,51,21,315
Trade payables	29,92,88,465	29,92,88,465	6,34,53,843	6,34,53,843
Other Financial Liabilities	13,99,733	13,99,733	451	451
Total	**2,51,26,35,209**	**2,51,26,35,209**	**9,85,75,609**	**9,85,75,609**

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial assets				
Financial assets at amortised cost for which Fair value are disclosed				
Cash and Cash Equivalents	11,14,31,201	11,14,31,201	8,50,37,874	8,50,37,874
Loans	2,16,71,52,090	2,16,71,52,090	-	-
Other financial Assets				
Security Deposits	18,77,940	18,77,940	-	-
Total	**2,28,04,61,231**	**2,28,04,61,231**	**8,50,37,874**	**8,50,37,874**

Fair value measurement hierarchy of financial assets and financial liabilities

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Borrowings (including interest accrued)	-	2,21,19,47,011	-	**2,21,19,47,011**
Trade payables	-	29,92,88,465	-	**29,92,88,465**
Other Financial Liabilities	-	13,99,733	-	**13,99,733**
Total	**-**	**2,51,26,35,209**	**-**	**2,51,26,35,209**

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at amortised cost for which Fair value are disclosed				
Cash and Cash Equivalents	-	11,14,31,201	-	**11,14,31,201**
Loans	-	2,16,71,52,090	-	**2,16,71,52,090**
Other financial Assets				
Security Deposits	-	18,77,940	-	**18,77,940**
Total	**-**	**2,28,04,61,231**	**-**	**2,28,04,61,231**

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Financial liabilities at amortised cost for which Fair value are disclosed				
Borrowings (including interest accrued)	-	3,51,21,315	-	**3,51,21,315**
Trade payables	-	6,34,53,843	-	**6,34,53,843**
Other Financial Liabilities	-	451	-	**451**
Total	**-**	**9,85,75,609**	**-**	**9,85,75,609**

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial assets at amortised cost for which Fair value are disclosed				
Cash and Cash Equivalents	-	8,50,37,874	-	**8,50,37,874**
Total	**-**	**8,50,37,874**	**-**	**8,50,37,874**

Note 33 :- SEGMENT REPORTING

Based on the "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business, the segments in which the Company operates. The Company is primarily engaged in the business of real estate development which the Management and CODM recognise as the sole business segment. Hence disclosure of segment- wise information is not required and accordingly not provided.

Note 34 :- On account of the spread of COVID-19 virus, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to stoppage of construction activities at the Company's projects. The Company has since resumed construction activities and currently in the process of scaling up its operations. The Company has, based on the information available till date, assessed the possible effects of the current pandemic on its financial condition, liquidity, operations and recoverability of assets and believes that the impact, if any, is not likely to be material. Since the situation is continuously evolving, the eventual impact may be different from the estimates made as at the date of approval of these financial statements and management will continue to monitor for any material changes on the operations of the Company and take necessary measures to address the current situation.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Estates Private Limited

Sd/-
per Abhishek Agarwal
Partner

Membership No: 112773
Place: Mumbai
Date: June 5, 2020

Sd/-
Manoj Fitkariwala
Chief financial officer

Sd/-
Yukti Taneja
Company secretary

Sd/-
Karat Tazhtetil Jithendran
Whole time director and chief executive officer
DIN: 01181998
Place: Mumbai
Date: June 5, 2020

Sd/-
Rajendra Kumar Dalmia
Director
DIN: 00040951
Place : Mumbai
Date: June 5, 2020

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Birla Century Exports Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Birla Century Exports Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADC5907

Place of Signature: Mumbai
Date: June 05, 2020

Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

i. According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company's business does not involve holding of inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provision of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

vii. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, goods and service tax and cess which have not been deposited on account of any dispute.

viii. The Company did not have any outstanding loans or borrowings due in respect of financial institution or bank or government or dues to debenture holders during the period.

ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADC5907

Place of Signature: Mumbai
Date: June 05, 2020

Annexure 2 To the Independent Auditor's Report of Even Date on the Financial Statements of Birla Century Exports Private Limited

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

We have audited the internal financial controls over financial reporting of Birla Century Exports Private 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Sd/-
per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAADC5907

Place of Signature: Mumbai
Date: June 05, 2020

Birla Century Exports Private Limited

Balance Sheet as at March 31, 2020

		Note No.	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
I	**ASSETS**			
	NON CURRENT ASSETS			
(a)	Financial assets			
	(i) Investment in subsidiary (at cost) (USD 14000 for 14000 units of Birla Century International LLC (31 March 2019 - Nil))		9,98,060	-
	SUB-TOTAL		9,98,060	-
	CURRENT ASSETS			
(a)	Financial assets			
	(i) Trade receivables	3	1,96,50,554	-
	(ii) Cash and cash equivalents	4	17,21,262	10,00,000
(b)	Other current assets	5	40,21,620	6,10,169
	SUB-TOTAL		2,53,93,436	16,10,169
	TOTAL		2,63,91,496	16,10,169
II	**EQUITY AND LIABILITIES**			
	EQUITY			
(a)	Equity share capital	6	50,00,000	50,00,000
(b)	Other equity	7	(76,047)	(34,39,831)
	SUB-TOTAL		49,23,953	15,60,169
	LIABILITIES			
	CURRENT LIABILITIES			
(a)	Financial liabilities			
	(i) Trade payables	8		
	1) Total outstanding dues to micro enterprises and small enterprises		-	-
	2) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,13,95,762	45,000
(b)	Other current liabilities	9	71,781	5,000
	SUB-TOTAL		2,14,67,543	50,000
	TOTAL		2,63,91,496	16,10,169
	Significant accounting policies	2		
	The accompanying notes are an integral part of these financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Century Exports Private Limited

Sd/-
per Abhishek Agarwal
Partner
Membership No: 112773
Place: Mumbai
Date: 05 June 2020

Sd/-
Nilay Rathi
Director
Din: 08278468
Place: Mumbai
Date: 05 June 2020

Sd/-
Rajendra Kumar Dalmia
Director
Din: 00040951
Place : Mumbai
Date: 05 June 2020

Birla Century Exports Private Limited

Statement of profit and loss for the year ended March 31, 2020

	Particulars	**Note No.**	**Year Ended March 31, 2020** In Rs.	**For the period November 13, 2018 to March 31, 2019** In Rs.
I	Revenue from operations	10	2,29,09,178	-
II	Other Income	11	9,85,246	-
III	**Total Income (I + II)**		2,38,94,424	-
IV	**EXPENSES**			
	(a) Purchases of traded goods		1,80,41,170	-
	(b) Other expenses	12	24,89,470	34,39,831
	Total Expenses (IV)		2,05,30,640	34,39,831
V	**Profit/(loss) before tax (III - IV)**		33,63,784	(34,39,831)
VI	**Tax Expense**			
	(a) Current tax	13	-	-
	(b) Deferred tax	13	-	-
	Total tax expense		-	-
VII	**Profit / (Loss) for the year (V - VI)**		33,63,784	(34,39,831)
VIII	**Other Comprehensive income**		-	-
IX	**Total comprehensive income (VII + VIII)**		33,63,784	(34,39,831)
X	**Earnings per equity share:**			
	(1) Basic / Diluted earning per share of nominal value of Rs 10/- each	14	6.73	(18.20)
	Significant accounting policies	2		
	The accompanying notes are an integral part of these financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Century Exports Private Limited

Sd/-
per Abhishek Agarwal
Partner
Membership No: 112773
Place: Mumbai
Date: 05 June 2020

Sd/-
Nilay Rathi
Director
Din No: 08278468
Place: Mumbai
Date: 05 June 2020

Sd/-
Rajendra Kumar Dalmia
Director
Din No: 00040951
Place: Mumbai
Date: 05 June 2020

Birla Century Exports Private Limited
Cash Flow Statement for the Year Ended March 31, 2020

		For the year ended March 31, 2020	For the period November 13, 2018 to March 31, 2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**	**In Rs.**	**In Rs.**
	Net Profit / (Loss) before tax	33,63,784	(34,39,831)
	Add / (Less) :		
	Unrealized exchange (gain) / loss	(8,21,556)	-
		25,42,228	(34,39,831)
	Working capital adjustments :		
	Decrease / (increase) in trade receivables	(1,88,28,998)	-
	Decrease / (increase) in other assets	(34,11,451)	(6,10,169)
	(Decrease) / increase in trade payables	2,13,50,762	45,000
	(Decrease) / increase in other current liabilities	66,781	5,000
		(8,22,906)	(5,60,169)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	17,19,322	(40,00,000)
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Investment in subsidiary	(9,98,060)	-
	NET CASH USED IN FROM OPERATING ACTIVITIES	(9,98,060)	-
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from issuance of equity share capital	-	50,00,000
	NET CASH FLOWS FROM FINANCING ACTIVITIES	-	50,00,000
	NET INCREASE IN CASH AND CASH EQUIVALENTS	7,21,262	10,00,000
	Cash and cash equivalents at the beginning of the period	10,00,000	-
	Cash and cash equivalents at the end of the period (refer note 4)	17,21,262	10,00,000

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Century Exports Private Limited

Sd/-
per Abhishek Agarwal
Partner
Membership No: 112773
Place: Mumbai
Date: 05 June 2020

Sd/-
Nilay Rathi
Director
Din: 08278468
Place: Mumbai
Date: 05 June 2020

Sd/-
Rajendra Kumar Dalmia
Director
Din: 00040951
Place: Mumbai
Date: 05 June 2020

Birla Century Exports Private Limited
Statement of changes in equity for the period April 1, 2019 to March 31, 2020

(In Rs.)

Particulars	Equity share capital	Other equity (Retained earnings)	Total equity
As at November 13, 2018	-	-	-
Issuance of Equity share capital	50,00,000	-	50,00,000
Loss during the period	-	(34,39,831)	(34,39,831)
As at March 31, 2019	50,00,000	(34,39,831)	15,60,169
Profit during the period		33,63,784	33,63,784
As at March 31, 2020	**50,00,000**	**(76,047)**	**49,23,953**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Century Exports Private Limited

Sd/-
per Abhishek Agarwal
Partner
Membership No: 112773
Place: Mumbai
Date: 05 June 2020

Sd/-
Nilay Rathi
Director
Din: 08278468
Place: Mumbai
Date: 05 June 2020

Sd/-
Rajendra Kumar Dalmia
Director
Din: 00040951
Place: Mumbai
Date: 05 June 2020

Birla Century Exports Private Limited

Notes to Financial Statements for the year ended 31 March 2020

1. Corporate information

Birla Century Exports Private Limited is a private company domiciled in India and is incorporated under the provisions of the Companies Act 2013, applicable in India. The principal place of business of the company is located at Century Bhavan, Dr Annie Besant Road, Worli, Mumbai 400030.The Company is principally engaged in trading of Textiles products.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on June 05, 2020

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The company prepared its financial statements for the year ended March 31, 2020 in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis and are presented in INR.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Fair Value Measurement

The company measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.4 Revenue from contract with customers

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

Sale of Goods
Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, and consideration payable to the customer (if any).

Variable Consideration
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

Discounts
Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Refund liabilities
A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period

2.5 Taxes

Current 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 by the end of the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.
Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.6 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.9 Foreign currencies

The Company’s financial statements are presented in INR, which is also the Company’s functional currency.

Transactions in foreign currencies are initially recorded by the Company at INR spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.10 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 plus, 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.

Subsequent measurement

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

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such
election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are equity instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head ‘other expenses’ in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as ‘accumulated impairment amount’ in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include trade and other payables

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.11 Investment in Subsidiary

The Company's investment in its subsidiaries are carried at cost.

2.12 Earnings per share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

2.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2.14 Standards issued but not yet effective

Several other amendments and interpretations apply for the first time in March 2020 but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

2A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

NOTE : 3 TRADE RECEIVABLES

		As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
(a)	Secured, considered good	-	-
	Unsecured, considered good	1,96,50,554	-
	Unsecured, considered doubtful	-	-
	Less: Allowance for credit losses	-	-
	Receivables - credit impaired	-	-
	Less: Allowance for credit losses	-	-
Total		1,96,50,554	-
(b)	Of the above, trade receivables from:		
	- Related parties (Refer Note 15)	1,96,50,554	
	- Others	-	
Total		1,96,50,554	-

Note : No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member. Trade receivables are non interest bearing and are generally on terms of 7 to 120 days of credit period.

NOTE : 4 CASH AND CASH EQUIVALENTS

		As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
(a)	Balances with banks		
	- Current Accounts	17,21,262	10,00,000
Total		17,21,262	10,00,000

NOTE : 5 OTHER CURRENT ASSETS

	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
Balances with Government authorities	4,64,601	6,10,169
Export incentive receivable	35,57,019	-
Total	40,21,620	6,10,169

NOTE : 6 EQUITY SHARE CAPITAL

		As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
1(a)	**Authorised :**		
	10,00,000 (31 March 2019 - 10,00,000) Equity shares of Rs.10/- each.	1,00,00,000	1,00,00,000
		1,00,00,000	1,00,00,000
1(b)	**Issued, Subscribed and paid up :**		
	5,00,000 (31 March 2019 - 5,00,000) Equity shares of Rs. 10/- each.	50,00,000	50,00,000
		50,00,000	50,00,000

1(c) **Terms / right attached to equity shares**

The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

NOTE : 6 EQUITY SHARE CAPITAL (contd.)

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

Particulars		Opening	Fresh Issue	Closing Balance
Equity shares with voting rights				
Year ended 31 March 2020				
	No. of Shares	5,00,000	-	5,00,000
	Amount	50,00,000	-	50,00,000
Year ended 31 March 2019				
	No. of Shares	5,00,000	-	5,00,000
	Amount	50,00,000	-	50,00,000

1(d) **Shareholders holding more than 5% shares of the Company**

Particulars	As at March 31, 2020	As at March 31, 2019
Class of shares / Name of shareholder	Number of shares held	Number of shares held
Equity shares with voting rights		
Century Textiles and Industries Limited	4,99,999	4,99,999
Total	**4,99,999**	**4,99,999**

NOTE : 7 OTHER EQUITY

	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
Retained earnings	(76,047)	(34,39,831)
	(76,047)	(34,39,831)

NOTE : 8 TRADE PAYABLES

	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
Trade payable - Micro and small enterprises	-	-
Trade payable - Other than micro and small enterprises (Refer note 15)	2,13,95,762	45,000
Total	2,13,95,762	45,000

The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act. There are no amounts paid / payable towards interest / principal under the MSMED.

NOTE : 9 OTHER CURRENT LIABILITIES

	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
Statutory dues		
Taxes payable (other than income taxes)	71,781	5,000
Total	71,781	5,000

NOTE : 10 REVENUE FROM OPERATIONS

		Year Ended March 31, 2020 In Rs.	For the period November 13,2018 to March 31, 2019 In Rs.
(a)	Sale of products	2,07,73,479	-
(b)	Other operating revenues:		
	Export benefits	21,35,699	-
Total		2,29,09,178	-

NOTE : 10 REVENUE FROM OPERATIONS (contd.)

(A) The Company has only one stream of revenue i.e revenue from trading of textile products

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
	In Rs.	In Rs.
India	-	-
Outside India	2,07,73,479	-
Total revenue from contracts with customers	**2,07,73,479**	**-**

(B) Transaction price as per the agreement is same as the revenue from contracts with the customer and hence there are no reconciliation items.

(C) Contract balances

Particulars	As at March 31, 2020 In Rs.	As at March 31, 2019 In Rs.
Trade Receivables	1,96,50,554	-
Contract Assets	-	-
Contract Liabilities	-	-

(D) Reconciliation of revenue from operations with revenue from contracts with customers

Particulars	Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
	In Rs.	In Rs.
Revenue from operations	2,29,09,178	-
Less : Export benefits	21,35,699	-
Revenue from contracts with customers	**2,07,73,479**	**-**

NOTE : 11 OTHER INCOME

	Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
	In Rs.	In Rs.
Gain on foreign currency fluctuations and translations (net)	8,85,246	-
Miscellaneous income	1,00,000	-
Total	9,85,246	-

NOTE : 12 OTHER EXPENSES

	Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
	In Rs.	In Rs.
Profession tax	2,500	-
Bank charges	38,353	-
Insurance charges	25,000	-
Freight & Forwarding charges	13,66,128	
Remuneration to auditors (refer note A below)	5,00,000	50,000
Filing Fees	-	2,27,566
Legal & Professional Fees	5,57,489	31,62,265
Total	24,89,470	34,39,831
Note (A) Payment to Auditors		
Statutory audit fees	4,25,000	50,000
Tax audit fees	75,000	
	5,00,000	50,000

NOTE : 13 INCOME TAX

		Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
		In Rs.	In Rs.
a)	**Tax expense recognised in the Statement of Profit and Loss**		
	Current tax	-	-
	Deferred tax	-	-
	Net tax expenses recognised in the Statement of Profit and Loss	-	-
b)	Income tax recognised in other comprehensive income	-	-
c)	Amounts recognised directly in equity	-	-
d)	**Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:**		
	Profit/(loss) before tax	33,63,784	(34,39,831)
	Income tax (expense) / income calculated at 25.17% (31 March 2019 : 26%)	(8,46,665)	8,94,356
	Effect of deferred tax asset not recognized on tax losses	-	(8,94,356)
	Effect of tax on brought forward losses set off against tax expense	8,46,665	-
	Income tax expense recognised in profit or loss	-	-

Note: The tax rate used for above tax reconciliation for 31 March 2020 is 25.17% (31 March 2019 - 26%)

e) Unrecognised deferred tax assets on tax losses for which no deferred tax assets is recognised amount to Rs. 19,141 (31 March 2019 - Rs. 8,94,536). The expiry of unrecognised deferred tax assets on losses is as follows:

Unrecognised deferred tax assets on tax losses	More than 5 years	Total
As at 31 March 2020	19,141	19,141
As at 31 March 2019	8,94,356	8,94,356

NOTE : 14 EARNING PER SHARE (EPS)

	Year Ended March 31, 2020	For the period November 13,2018 to March 31, 2019
	In Rs.	In Rs.
Net Profit / (Loss) as per statement of profit and loss	33,63,784	(34,39,831)
Weighted average number of equity share outstanding	5,00,000	1,89,041
Basic and diluted earning per share (Rs.)	6.73	(18.20)

Note : 15 RELATED PARTY DISCLOSURE

Relationships:
(a) Where the control exists:

Holding Company:
Century Textiles and Industries Limited

Subsidiary Company:
Birla Century International LLC

(b) List of Non Executive Director
Rajendra Kumar Dalmia
Snehal Shah
Nilay Rathi

In Rs.

Name of the related party	Transaction during the year	Year Ended 31 March 2020	For the period November 13, 2018 to March 31, 2019
Century Textiles and Industries Limited	Issuance of equity share capital	-	50,00,000
	Purchase of goods	1,80,41,170	-
	Reimbursement of excess expenses charged	1,00,000	-
	Other Expenses		
	Legal & Professional Fees	-	31,62,265
	Filing Fees	-	2,27,566
Birla Century International LLC	Sale of goods	2,07,73,479	-
	Investment in Subsidiary	9,98,060	-

In Rs.

Name of the related party	Balances as at 31 March 2020	As at March 31, 2020	As at March 31, 2019
Century Textiles and Industries Limited	Payable against Purchase of goods	1,99,47,232	-
Birla Century International LLC	Receivable against Sale of goods	1,96,50,554	-

NOTE 16 : CONTINGENT LIABILITY AND COMMITMENT

There are no amount of claims against the company that are not acknowledged as debts or guarantees or other amounts for which the company is contingently liable and also there is no such commitments as of March 31, 2020 (March 31, 2019- Rs. Nil).

NOTE 17 : SEGMENT REPORTING

The Company has only one operating segment and is primarily engaged in the business of trading of textile products. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

The Company's board considers business of trading of textile products as the main business of the entity. Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on "Operating Segment".

Geographic Information

Particulars	Year Ended March 31, 2020	For the period November 13, 2018 to March 31, 2019
	In Rs.	In Rs.
Revenue from external customers		
India	-	-
Outside India	2,29,09,178	-
Total Revenue from operations	**2,29,09,178**	**-**

Notes:

(a) The segment revenue in the geographical information considered for disclosure is as follows

- Revenue within India includes sales to customers located within India
- Revenue outside India includes sales to customers located outside India and export benefit on sales made to customers located outside India

(b) The total revenue and export benefits thereon is from sales made to Birla Century International LLC (Subsidiary)

(c) There are no Non-current operating assets as at March 31, 2020 (March 31, 2019 - Rs. Nil)

Note 18 : CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base to sustain future development of the business. The Company has adequate cash and bank balances. The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

Note 19 : FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities comprise of trade and other payables. The Company's principal financial assets include cash and cash equivalents and trade receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. It arises mainly from trade receivables and other financial assets. The Company's receivables are majorly from related parties therefore, substantially eliminating the Company's credit risk in this respect.

Birla Century Exports Private Limited
Notes to the financial statements for the year ended 31 March 2020

B. Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes borrowings and other financials assets. The Company does not have any borrowings or other financial assets therefore eliminating the Company's market risk in this respect

C. Liquidity risk management
The Company manages liquidity risk by continuously monitoring forecast and actual cash flows yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year.

(i) Maturities of financial liabilities
The following tables detail the Company’s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.
To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

In Rs.

As at 31 March 2020	**On Demand**	**Less than 1 Year**	**More than 1 Year**	**Total**
(a) Non Derivative financial instruments				
Trade payables				
Trade payables - other than micro, small & medium enterprises	-	2,13,95,762	-	2,13,95,762
Total	**-**	**2,13,95,762**	**-**	**2,13,95,762**

In Rs.

As at 31 March 2019	**On Demand**	**Less than 1 Year**	**More than 1 Year**	**Total**
(a) Non Derivative financial instruments				
Trade payables				
Trade payables - other than micro, small & medium enterprises	-	45,000	-	**45,000**
Total	**-**	**45,000**	**-**	**45,000**

(ii) Maturities of financial assets
The following table details the Company’s expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company’s liquidity risk management as the liquidity is managed on a net asset and liability basis.

In Rs.

As at 31 March 2020	**On Demand**	**Less than 1 Year**	**More than 1 Year**	**Total**
(a) Non Derivative financial instruments				
Trade receivables	-	1,96,50,554	-	**1,96,50,554**
Total	**-**	**1,96,50,554**	**-**	**1,96,50,554**

Note 20 : FAIR VALUE MEASUREMENT
Fair value of financial assets and financial liabilities

In Rs.

Particulars	**As at 31 March 2020**		**As at 31 March 2019**	
	Carrying Value	**Fair value**	**Carrying Value**	**Fair value**
Financial assets				
Trade receivables	1,96,50,554	1,96,50,554	-	-
Cash and cash equivalents	17,21,262	17,21,262	10,00,000	10,00,000
Total	**2,13,71,816**	**2,13,71,816**	**10,00,000**	**10,00,000**

In Rs.

Particulars	**As at 31 March 2020**		**As at 31 March 2019**	
	Carrying Value	**Fair value**	**Carrying Value**	**Fair value**
Financial liabilities				
Trade payables	2,13,95,762	2,13,95,762	45,000	45,000
Total	**2,13,95,762**	**2,13,95,762**	**45,000**	**45,000**

Birla Century Exports Private Limited
Notes to the financial statements for the year ended 31 March 2020

Fair value measurement hierarchy of financial assets and financial liabilities

In Rs.

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost for which Fair value are disclosed				
Trade receivables	-	1,96,50,554	-	**1,96,50,554**
Cash and cash equivalents	-	17,21,262	-	**17,21,262**
Total	-	**2,13,71,816**	-	**2,13,71,816**

In Rs.

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial liabilities at amortised cost for which Fair value are disclosed				
Trade payables	-	2,13,95,762	-	**2,13,95,762**
Total	-	**2,13,95,762**	-	**2,13,95,762**

In Rs.

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost for which Fair value are disclosed				
Cash and cash equivalents	-	10,00,000	-	**10,00,000**
Total	-	**10,00,000**	-	**10,00,000**

In Rs.

Particulars	Fair value hierarchy as at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial liabilities at amortised cost for which Fair value are disclosed				
Trade payables	-	45,000	-	45,000
Total	-	**45,000**	-	**45,000**

NOTE 21
On account of the spread of COVID-19 virus, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020. As there are no significant operations in the Company and majority of the receivables are from the group companies, the Company, based on the information available till date, believes that the possible effects of the current pandemic on its financial condition, liquidity, operations and recoverability of assets, is not likely to be material.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration Number 324982E / E300003

For and on behalf of Board of Directors of
Birla Century Exports Private Limited

Sd/-
per Abhishek Agarwal
Partner
Membership No: 112773
Place: Mumbai
Date: 05 June 2020

Sd/-
Nilay Rathi
Director
Din No: 08278468
Place: Mumbai
Date: 05 June 2020

Sd/-
Rajendra Kumar Dalmia
Director
Din No: 00040951
Place: Mumbai
Date: 05 June 2020

Birla Century International LLC

Balance Sheet as at March 31, 2020

		Note No.	As at March 31, 2020 In USD.
I	**ASSETS**		
	NON CURRENT ASSETS		-
	SUB-TOTAL		-
	CURRENT ASSETS		
(a)	Inventories	3	2,23,193
(b)	Financial assets		
	(i) Trade receivables	4	14,890
	(ii) Cash and cash equivalents	5	2,098
	SUB-TOTAL		2,40,181
	TOTAL		2,40,181
II	**EQUITY AND LIABILITIES**		
	EQUITY		
(a)	Members Equity	6	14,000
(b)	Other equity	7	(82,958)
	SUB-TOTAL		(68,958)
	LIABILITIES		
	CURRENT LIABILITIES		
(a)	Financial liabilities		
	(i) Trade payables	8	3,09,139
(b)	Other current liabilities		-
	SUB-TOTAL		3,09,139
	TOTAL		2,40,181
	Significant accounting policies	2	
	The accompanying notes are an integral part of these financial statements		

For and on behalf of Management
Birla Century International LLC

Sd/-
Gaurav Nirmal
Authorised Signatory
Date : June 4, 2020

Birla Century International LLC

Statement of profit and loss for the period August 19, 2019 to March 31, 2020

	Particulars	**Note No.**	**For the period August 19, 2019 to March 31, 2020** **In USD.**
I	Revenue from operations	9	1,07,938
II	**Total Income**		1,07,938
III	**EXPENSES**		
	(a) Purchase of traded goods		3,21,933
	(b) Changes in inventories of traded goods		(2,23,193)
	(c) Other expenses	10	92,156
	Total Expenses (III)		1,90,896
IV	**Loss before tax (II - III)**		(82,958)
V	**Tax Expense**		
	(a) Current tax		-
	(b) Deferred tax		-
	Total tax expense		-
VI	**Loss for the period (IV - V)**		(82,958)
VII	**Other Comprehensive income**		-
VIII	**Total comprehensive income (VI + VII)**		(82,958)
IX	**Earnings per unit:**		
	(1) Basic / Diluted earning per unit of nominal value of USD 1/- each	11	(9.40)
	Significant accounting policies	2	

The accompanying notes are an integral part of these financial statements

For and on behalf of Management
Birla Century International LLC

Sd/-
Gaurav Nirmal
Authorised Signatory
Date : June 4, 2020

Birla Century International LLC

Cash Flow Statement for the period August 19, 2019 to March 31, 2020

		For the period August 19, 2019 to March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**	**(In USD.)**
	Net Loss before tax	(82,958)
		(82,958)
	Working capital adjustments :	
	Decrease / (increase) in trade receivables	(14,890)
	Decrease / (increase) in inventorties	(2,23,193)
	(Decrease) / increase in trade payables	3,09,139
		71,056
	NET CASH GENERATED FROM OPERATING ACTIVITIES	(11,902)
B.	**CASH FLOW FROM FINANCING ACTIVITIES :**	
	Proceeds from issuance of member interests	14,000
	NET CASH FLOWS FROM FINANCING ACTIVITIES	14,000
	NET INCREASE IN CASH AND CASH EQUIVALENTS	2,098
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the period (Refer note 5)	2,098

The accompanying notes are an integral part of these financial statements

For and on behalf of Management
Birla Century International LLC

Sd/-
Gaurav Nirmal
Authorised Signatory
Date : June 4, 2020

Birla Century International LLC

Statement of changes in Member's equity for the period August 19, 2019 to March 31, 2020

(In USD)

Particulars	Member's Equity	Other equity (Retained earnings)	Total Member's Equity
As at August 19, 2019	-	-	-
Member units issued at $1/unit	14,000	-	14,000
Loss during the period	-	(82,958)	(82,958)
As at March 31, 2020	**14,000**	**(82,958)**	**(68,958)**

The accompanying notes are an integral part of these financial statements

For and on behalf of Management
Birla Century International LLC

Sd/-
Gaurav Nirmal
Authorised Signatory
Date : June 4, 2020

Birla Century International LLC

Notes to Financial Statements for the period August 19, 2019 to March 31, 2020

1. Corporate information

Birla Century International LLC is a limited liability company domiciled in USA and is incorporated under the provisions of the Limited Liability Company Act of the State of Delaware. The principal place of business of the company is located at 104 New Era Drive, South Plainfield, NJ 07080.The Company is principally engaged in trading of Textiles products.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The company prepared its financial statements for the year ended March 31, 2020 in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis and are presented in USD.

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Fair Value Measurement

The company measures financial instruments, such as derivatives, investments etc, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.4 Revenue from contract with customers

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

Sale of Goods
Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, and consideration payable to the customer (if any).

Variable Consideration
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

Discounts
Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Refund liabilities
A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period

2.5 Taxes

Current 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 by the end of the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.
Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction in OCI.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.6 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.09 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 plus, 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.

Subsequent measurement

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

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are equity instruments and are measured as at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.10 Earnings per unit:

Basic Earnings per unit amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

2.11 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

2.12 Standards issued but not yet effective

Several other amendments and interpretations apply for the first time in March 2020 but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

2A. Significant accounting judgements, estimates and assumptions

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

NOTE : 3 INVENTORIES

(At cost or net realisable value, whichever is lower)

		As at March 31, 2020 In USD.
(a)	Stock in trade of goods accquired for trading	2,23,193
Total		2,23,193

NOTE : 4 TRADE RECEIVABLES

		As at March 31, 2020 In USD.
(a)	Secured, considered Good	-
	Unsecured, considered Good	14,890
	Unsecured, considered doubtful	-
	Less: Allowance for credit losses	-
	Receivables - credit impaired	-
	Less: Allowance for credit losses	-
Total		14,890
(b)	Of the above, trade receivables from:	
	- Related parties	
	- Others	14,890
Total		14,890

NOTE : 5 CASH AND CASH EQUIVALENTS

		As at March 31, 2020 In USD.
(a)	Balances with banks	
-	Current Accounts	2,098
Total		2,098

NOTE : 6 MEMBER'S EQUITY

	As at March 31, 2020 In USD.
1(a) **Issued, Subscribed and outstanding :**	
14,000 Units of USD 1/- each.	14,000
	14,000

NOTE : 6 MEMBER'S EQUITY (contd.)

Reconciliation of the number of units outstanding at the beginning and at the end of the period.

Particulars		Opening	Fresh Issue	Closing Balance
Units with voting rights **Period ended 31 March 2020**				
	No.of Units	-	14,000	14,000
	Amount (USD)	-	14,000	14,000

Unitholders holding more than 5% units of the Company

Particulars	As at March 31, 2020
Class of units / Name of unitholders	Number of units held
Units with voting rights	
Birla Century Exports Private Limited	14,000
Total	**14,000**

NOTE : 7 OTHER EQUITY

	As at March 31, 2020 In USD.
Retained earnings	(82,958)
	(82,958)

NOTE : 8 TRADE PAYABLES

	As at March 31, 2020 In USD.
Trade payables	3,09,139
Total	3,09,139

NOTE : 9 REVENUE FROM OPERATIONS

		For the period August 19,2019 to March 31, 2020 In USD.
(a)	Sale of products	1,07,938
Total		1,07,938

NOTE : 9 REVENUE FROM OPERATIONS (contd.)

NOTE : 9A The company has only one stream of revenue i.e. revenue from trading of textile products
Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the period August 19,2019 to March 31, 2020 In USD.
USA	1,07,938
Outside USA	-
Total revenue from contracts with customers	1,07,938

NOTE : 9B Transaction price as per the agreement is same as the revenue from contracts with the customer and hence there are no reconciliation items.

NOTE : 9C CONTRACT BALANCES

	For the period August 19,2019 to March 31, 2020 In USD.
Trade Receivables	14,890
Contract Assets	-
Contract Liabilities	-

NOTE : 9D RECONCILIATION OF REVENUE FROM OPERATIONS WITH REVENUE FROM CONTRACTS WITH CUSTOMER

	For the period August 19,2019 to March 31, 2020 In USD.
Revenue as per contracted prices	1,07,938
Adjustments:	
Discount	-
Revenue from contract with customers	1,07,938

NOTE : 10 OTHER EXPENSES

	For the period August 19,2019 to March 31, 2020
	In USD.
Freight & Forwarding charges	20,175
Bank charges	1,104
Advertisement charges	25,188
Commission	28,000
Rent / Storage expenses	3,449
Legal & Professional Fees	8,439
Travelling expenses	4,758
Miscellaneous expenses	1,042
Total	92,156

NOTE : 11 EARNING PER UNIT

	For the period August 19,2019 to March 31, 2020
	In USD.
Net Loss as per statement of profit and loss	(82,958)
Weighted average number of units outstanding	8,822
Basic and diluted earning per unit (USD.)	(9.40)

Birla Century International LLC

Notes to the Financial Statements for the period August 19, 2019 to March 31, 2020

Note : 12 RELATED PARTY DISCLOSURE

Relationships:

(a) Where the control exists:

Holding Company:

Birla Century Exports Private Limited

(In USD)

Name of the related party	Transaction during the period	For the period August 19, 2019 to March 31, 2020
Birla Century Exports Private Limited	Issuance of member interest	14,000
	Purchase of goods	3,21,933

Name of the related party	Balance Outstanding	Balance as at March 31, 2020
Birla Century Exports Private Limited	Payable against Purchase of goods	2,61,577

NOTE 13 : CONTINGENT LIABILITY AND COMMITMENT

There are no amount of claims against the company that are not acknowledged as debts or guarantees or other amounts for which the company is contingently liable and also there is no such commitments as of March 31, 2020

NOTE 14

The Company has assessed the possible effects that may result from the current pandemic - COVID-19 on its financial condition, liquidity, operations and recoverability of assets. In assessing the recoverability of the assets such as receivables and other assets, which is majorly recoverable from group companies and hence does not carry any significant risk. Further, since the company does not have any significant operations, the management believes that there is not much of an impact likely due to this pandemic on the financial statements of the Company.

NOTE 15

The company was incorporated during the current year and accordingly the previous year figures have not been reported. Figures have been rounded off to the nearest Dollar

NOTE 16 : SEGMENT REPORTING

The Company has only one operating segment and is primarily engaged in the business of trading of textile products. Accordingly, the figures appearing in these financial statements relate to the Company's single operating segment.

The Company considers business of trading of textile products as the main business of the entity. Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on "Operating Segment".

Note 17 : CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base to sustain future development of the business. The Company has adequate cash and bank balances. The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

Note 18 : FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities comprise of trade and other payables. The Company's principal financial assets include cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. It arises mainly from trade receivables and other financial assets. The Company only deals with parties which has good credit ratings / worthiness based on company's internal assessment

The company has divided parties in two grades based on the their performance.

Good: Parties with positive external rating (if available) and stable financial position with no past default is considered in this category

Doubtful: Parties where company doesn't have information on their financial position or has past trend of default are considered under this category

Birla Century International LLC

Notes to the Financial Statements for the period August 19, 2019 to March 31, 2020

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes borrowings and other financials assets. The Company does not have any borrowings or other financial assets therefore eliminating the Company's market risk in this respect

C. Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year.

(i) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.
To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(In USD)

As at 31 March 2020	On Demand	Less than 1 Year	More than 1 Year	Total
(a) Non Derivative financial instruments				
Trade payables	-	3,09,139	-	-
Total	**-**	**3,09,139**	**-**	**-**

(ii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(In USD)

As at 31 March 2020	On Demand	Less than 1 Year	More than 1 Year	Total
(a) Non Derivative financial instruments				
Trade receivables	-	14,890	-	**14,890**
Total	**-**	**14,890**	**-**	**14,890**

Note 16 : FAIR VALUE MEASUREMENT

Fair value of financial assets and financial liabilities **(In USD)**

Particulars	As at 31 March 2020	
	Carrying Value	Fair value
Trade receivables	14,890	14,890
Cash and cash equivalents	2,098	2,098
Total	**16,988**	**16,988**

Particulars	As at 31 March 2020	
	Carrying Value	Fair value
Trade payables	3,09,139	3,09,139
Total	**3,09,139**	**3,09,139**

Birla Century International LLC

Notes to the Financial Statements for the period August 19, 2019 to March 31, 2020

Fair value measurement hierarchy of financial assets and financial liabilities

(In USD)

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost for which Fair value are disclosed				
Trade receivables	-	14,890	-	**14,890**
Cash and cash equivalents	-	2,098	-	**2,098**
Total	**-**	**16,988**	**-**	**16,988**

Particulars	Fair value hierarchy as at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial liabilities at amortised cost for which Fair value are disclosed				
Trade payables	-	3,09,139	-	**3,09,139**
Total	**-**	**3,09,139**	**-**	**3,09,139**

For and on behalf of Management
Birla Century International LLC

Sd/-
Gaurav Nirmal
Authorised Signatory
Date : June 4, 2020