

(b) Provident fund

Subsequent to the demerger as detailed in note 38(a), the Company continued to participate in the provident fund plan managed by the ABB India Employees' Provident Fund Trust, a provident fund trust for ABB India Limited employees till November 30, 2019. Subject to the formation of its own trust, subsequent to the November 30, 2019, the same has been remitted to the Regional provident fund organisation ('RPFO').

The plan assets as at November 30, 2019 relating to Company's employees are held by 'ABB India Employees' Provident Fund Trust' managed provident fund plan. The Company is in the process of transferring the same to the RPFO. The Company was treating its contribution to ABB India Employees Provident Fund Trust till November 30, 2019 as a defined benefit plan during the period ended December 31, 2019. However, in the current year, the aforesaid trust guaranteed any shortfall in the plan assets (interest and principal). Accordingly, the management of the Company has treated the Provident fund plan as the defined contribution plan and no further disclosures have been made in relation to provident fund plan in the current year and for the comparative period.

The Contribution by employee and employer together with interest are payable at the time of separation from service or retirement whichever is earlier.

32. Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in the financial statements.

A Fair value of financial assets and financial liabilities

The carrying amount of all financial assets and liabilities appearing in the financial statements is reasonable approximation of fair value. The following tables presents the carrying value and fair value of each category of financial assets and liabilities.

The Company's assets and liabilities which are measured at amortised cost for which fair values are disclosed:

All amount in Indian Rupees in crores, except as stated otherwise		
Particulars	Carrying and Fair Value	
	As at December 31, 2020	As at December 31, 2019
Financial Assets at amortised cost :		
Loans (refer note 6)	16.26	12.88
Trade receivables (refer note 11)	1,584.50	1,782.85
Cash and cash equivalents (refer note 12)	318.95	188.04
Other financial assets (refer note 13)	83.89	101.28
Financial assets at fair value through profit and loss :		
Derivative instruments (refer note 13)	36.74	24.30
Total financial assets	2,040.34	2,109.35
Financial liabilities at amortised cost:		
Borrowings (refer note 18)	-	347.62
Trade payables (refer note 19)	1,577.98	1,377.10
Lease liabilities (refer note 35(b))	39.07	-
Other financial liability (refer note 17)	96.01	116.66
Financial liabilities at fair value through profit and loss :		
Derivative instruments (refer note 17)	19.79	18.05
Total financial liabilities	1,732.85	1,859.43