

# **RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED JAIPUR**

## **43<sup>rd</sup> ANNUAL REPORT 2024-25**

### **Contents**

2	Board of Directors
3	Report of the Board of Directors
21	Comments of C & AG
22	Independent Auditor's Report
36	Balance Sheet
37	Statement of Profit and Loss
38	Schedules

## Board of Directors

Chairman & Director	:	Smt. Shivangi Swarnkar
Managing Director	:	Shri. Brijesh Dixit
Directors	:	Shri Prem Chandra Maurya Smt. Anju Goyal Shri Dinesh Kumar Pahadia
Auditors	:	M/s G. K. Mittal & Associates Chartered Accountants, Jaipur (Raj.)
Bankers	:	Punjab National Bank L.C. Branch, M.I. Road, Jaipur.
Registered Office	:	2, Kanakpura Industrial Area, Sirsi Road, Jaipur – 302 034

# REPORT OF THE BOARD OF DIRECTORS

Dear Members,

The Board of Directors has pleasure in presenting the 43<sup>rd</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2025. In FY 2024-25, the Company posted Revenue of Rs. 157.48 crore and Loss before Tax of Rs. 12.24 crore.

The Company is committed to total customer satisfaction by identifying their needs translating them into quality products and providing dependable after-sales-services. REIL addresses needs of the dairy sector through its various milk testing and quality related solutions. The Company has a major presence in the Solar Photo Voltaic as well as Information Technology sectors. The Company is tirelessly working for the realization of its motto “Shaping Rural India through Electronics, Renewable Energy and IT Solutions”.

The Company has aligned business operations to contribute to various National Programmes such as Make in India, Digital India, National Solar Mission, Drinking Water Mission, Food Safety & Security, doubling farmer's income and Smart City Mission. REIL continues to strive for Digital Transformation in the country and offers various solutions in Security & Surveillance, e-Governance, Paperless Office, Industrial IOT and Cloud Applications, etc.

## FINANCIAL PERFORMANCE

The Company's financial highlights are as provided below :

(Rs. in Lakh)

S.No.	PARTICULARS	2024-25	2023-24
1.	Turnover & Other Income	15960	18922
2.	Material Cost	8866	10289
3.	Employment Cost	3284	3257
4.	Other Revenue Expenses	4809	4665
5.	Gross Margin (PBDIT)	(999)	711
6.	Profit/(Loss) Before Tax (PBT)	(1224)	437
7.	Net Worth	5657	6561

## STATUS OF COMPANY'S AFFAIRS

Your Company is holding the most prominent position in the Dairy and Solar Industry through its customer focused approach by way of ensuring prompt products deliveries and after sales support.

The Company's strategic vision and efforts have resulted in acquiring prestigious orders for the supply of Company products both hardware and software. In dairy sector, during the year, the Company has received major orders of AMCU, ADPMCU, EMT, Milk Analyzers from various milk cooperatives across the Country. The Company's dairy solutions are bringing transparency in milk procurement and are helping milk societies to operate confidently and efficiently. Due to the faith reposed by the customers, the Company has been able to get good orders despite very competitive market scenario.

A prestigious order worth approximately Rs. 37.00 Crore was received from Jaipur Zila Dugdh Utpadak Sahkari Sangh Limited (JZDUSSL) for setting up around 8 MW of SPV power plants across 894 Bulk Milk Coolers (BMCs), aimed at making dairy operations more self-reliant.

The Renewable Energy Division of the Company has executed projects for various CPSEs & Departments, i.e. PFC, PESL, Forest Department, Water Shed, PHED, GAIL.

REIL successfully received and executed the prestigious Phase-2 export order from the Guyana Energy Agency for the supply and delivery of 6,530 SPV Home Energy Systems and 700 Solar Charge Controllers to various hinterland communities in the Co-operative Republic of Guyana. This project, aimed at meeting basic infrastructure needs such as lighting, was a repeat order awarded on nomination basis, reflecting the Agency's continued trust in REIL's capabilities.

The Company successfully executed a cumulative of 2.97 MWp grid-connected SPV power plants across various government buildings in the State of Jammu & Kashmir, under an order from JAKEDA. Additionally, REIL installed a total of 1,183 SPV LED street lighting systems at strategic locations throughout the region, also under an order from JAKEDA.

The Company received and successfully executed a project from the Rajasthan Council for School Education (RCSE), Government of Rajasthan, for the installation of SPV power plants with a cumulative capacity of 1,515 kWp across 291 PM Shri Government Schools. This includes 1,355 kWp of off-grid SPV power plants (5 kWp each at 271 schools) and 160 kWp of on-grid SPV power plants (8 kWp each at 20 schools).

The Company has received a LOA valued at approximately Rs. 259 crore from RRECL, Jaipur for the Design, Supply, Identification, Installation & Commissioning with 25 years CMC period of 40MW Grid Connected SPV Power Plant at rooftop of various State Government Buildings/ Government undertaking buildings across the districts of Jodhpur, Pali, Pratapgarh & Banswara under the Hybrid Annuity Model (HAM) scheme.

The Company has bagged a prestigious order from the Rajasthan Staff Selection Board, RSSB for securing the examination conducted by them through impersonation control through Face/ Iris / Fingerprint Biometrics, Live CCTV Surveillance, Videography/Photography and Frisking Services. The project worth approximately Rs. 75 Crore per annum which is initially for 2 years and subsequently to be extended for 2 years.

REIL has signed a MoU with Garuda Aerospace Pvt. Ltd., Chennai, for the development of cutting-edge infrastructure, including a state-of-the-art Remote Pilot Training Organization (RPTO) center at REIL, Jaipur premises, which will provide hands-on industry exposure to drone pilot trainees. This strategic partnership aims to create significant opportunities to enhance excellence in drone pilot training, bridging the gap in the shortage of certified drone pilots.

In the ongoing project of Core Banking Solution for Rajasthan State Cooperative Bank, the order has been renewed for next 5 years for providing ATS/ AMC and Help Desk services in 494 Branches across the State of Rajasthan, generating business of approximately Rs. 4.00 crore per year.

The Company has received an order from the High Court of Orissa, Cuttack, for the supply, installation, and commissioning of an on-campus cloud storage facility and HCI server setup. The project includes HCI servers, firewalls, and gigabit switches, supporting the Court's digitization, paperless initiatives, and e-Courts Project through a secure and scalable IT infrastructure.

The Company received a work order from the Rajasthan State Food and Civil Supplies Corporation Limited (RSFCSC) for the upgradation of Point of Sale (PoS) machines at approximately 9,895 Fair Price Shops across Rajasthan. This project involves enhancing existing PoS devices to improve reliability, operational efficiency, and transparency within the Public Distribution System (PDS). The initiative aims to deliver a more robust and user-friendly PoS infrastructure to support seamless service at the last mile.

Annual Technical Support (ATS) was provided for the Integrated Online Web-Based Application developed earlier by REIL for the Directorate of Gopalan, GoR. The support covered Web Server Management, Database Management and Application Maintenance catering to 4,371 Gaushalas across the State of Rajasthan. Through this application, Government aid of approximately Rupees 800 Cr. is distributed to the Gaushalas each year.

Your Company continues with its task to build diversified businesses with long term goals based on intrinsic strength in terms of its powerful brands, quality manufacturing processes, excellent after-sales-services and customer relationships. It accords high priority to rationalizing and streamlining operations to bring about better efficiencies and reduction in costs.

#### **DIVIDEND**

As the Company has posted Loss for the F.Y. 2024-25, therefore in order to conserve the resources of the Company by taking into account the prevailing economic situation and the need of resources for growth, it is proposed not to recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2025.

#### **TRANSFER FROM GENERAL RESERVES**

It is proposed to transfer Rs. 9.00 crore from General Reserve of the Company to retained earnings for the year 2024-25.

#### **CREDIT RATING**

The Company has obtained its credit ratings from CARE. It has been given a rating 'CARE BB+'; Stable by CARE for its long-term bank facilities. Similarly, for its short-term bank facilities the Company has been assigned 'CARE A4+' rating by CARE.

The ratings continue to derive strength from the established operations with long track record and diversified product portfolio.

#### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Shri Inderjeet Singh, IAS, Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Chairman & Director w.e.f. 23.09.2024 and Shri Shivprasad Nakate, IAS, Managing Director, RIICO ceased to be Chairman & Director of the Company w.e.f. 23.09.2024.

Smt. Shivangi Swarnkar, IAS, Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Chairman & Director

w.e.f. 07.02.2025 and Shri Inderjeet Singh, IAS, Managing Director, RIICO ceased to be Chairman & Director of the Company w.e.f. 07.02.2025.

Shri Sanjay Banga, CMD, CCI has been entrusted of additional charge as Managing Director of the Company w.e.f. 28.04.2025 forenoon.

Shri Brijesh Dixit, Executive Director, IRSME has been appointed as Managing Director of the Company w.e.f. 30.04.2025 afternoon.

Dr. Renuka Mishra, Economic Advisor, Ministry of Heavy Industries, GoI, New Delhi, has been appointed as nominee Director w.e.f. 23.07.2024.

Ms. Mukta Shekhar, Joint Secretary, Ministry of Heavy Industries, GoI, New Delhi, ceased to be nominee Director of the Company w.e.f. 23.07.2024

Shri Sanjay Banga, CMD, CCI who has been entrusted of additional charge as Managing Director of the Company, ceased to be Managing Director (Additional Charge) of the Company w.e.f. 30.04.2025 afternoon.

Dr. P.N. Sharma, Managing Director (Additional Charge) ceased to be Managing Director (Additional Charge) of the Company w.e.f. 27.04.2025.

The Board of Directors places on record the deep appreciation of the valuable services rendered as well as advice and guidance provided by Shri Inderjeet Singh, Chairman & Director and Ms Mukta Shekhar, Director and Dr. P.N. Sharma, Managing Director (Additional Charge) of the Company during their tenure.

### **Key Managerial Personnel**

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are Shri Brijesh Dixit, Managing Director, Shri Subhash Agrawal, Chief Financial Officer and Shri Amit Kumar Jain, Company Secretary.

### **Declaration by Independent Directors**

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

### **CORPORATE AWARDS / RECOGNITIONS AND VISIBILITY**

Continuing its tradition of bagging prestigious awards. The organization won following awards during the year.

- "Best Employer Award 2024" for the 15<sup>th</sup> time by the Employers Association of Rajasthan for "Outstanding contribution in large geography survey and mapping through drone technology"

- "Digital Transformation" for the Project "Cloud Based Milk Procurement Solution (Milk Net & Milk Producers App) for Digitalization in Dairy Sector"
- The Company participated in Renewable Energy India Expo 2024 (from 3<sup>rd</sup> to 5<sup>th</sup> October) at India Expo Mart, Greater Noida.
- The Company actively participated in the Rising Rajasthan Global Investment Summit 2024, held from 09.12.2024 to 11.12.2024, by showcasing its products and taking part in the Country Session.
- The Company participated in the 51<sup>st</sup> Dairy Industry Conference held from 06.03.2025 to 08.03.2025 in Patna.

### **QUALITY & RELIABILITY**

REIL pursues continual improvement in the quality of its products, services and performance leading to customer satisfaction through commitment, innovation and team work of all employees. REIL has established & maintained Quality Management System & Environment Management System. The Company has obtained BIS certification under Class One accuracy category for the manufacturing of REIL Make EWS.

### **PRODUCTION**

The Company has produced 10550 nos of Electronic Milk Analysers as compared to 10535 nos during the previous year and 2.34 MW of Solar Photovoltaic Modules as compared to 9.01 MW during the previous year.

### **DEVELOPMENT OF SUPPORT UNITS & MSMEs**

REIL as a policy puts emphasis on development of support industries and is in close interaction with them for their technology up-gradation, which in turn helps in their quality improvement and volume production. REIL is largely fulfilling its requirement of raw material and components from MSMEs. REIL is regularly developing support industries by participating in the vendor development programmes organized by Ministry of MSME from time to time.

### **ANNUAL RETURN**

Annual Return pursuant to Section 92 (3) of the Companies Act, 2013, read with Section 134(3)(a) and rule 12(1) of the Company (Management & Administration) Rules, 2014 for the financial year ended 31<sup>st</sup> March 2025 is included in this Report as Annexure-A and forms an integral part of this Report.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress the complaints received regarding sexual harassment at workplace. The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

1. Number of Complaints received : Nil
2. Number of Complaints disposed off : Nil

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as Sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are stated as under:

### **A. Sustainable Development and Conservation of Energy**

At REIL energy conservation plays a crucial role in our sustainable consumption strategy, extending beyond mere cost reduction. It serves as a vital component in our efforts to preserve the Nation's energy reserves and mitigate the environmental impact due to our operations. By implementing various measures, we aim to optimize our energy usage and contribute to a more sustainable future.

The Company is making continuous efforts on an ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company is into Electronics Manufacturing and Renewable Energy. Sustainability is embedded in the organization's culture with the objective of aligning the interests of the Company with that of its Stakeholders. Periodic testing of environmental parameters is undertaken as per relevant legal requirements to make sure that processes are operating within the permissible limits.

### **The Projects & Impacts**

Energy conservation initiatives in manufacturing units are monitored to achieve higher efficiency of power & fuel inputs. Some energy conservation measures taken during the year include :

- Awareness generation amongst employees about the necessity of energy conservation.

- Electricity generation from captive solar power plants installed across our premises.
- Identification of potential to reduce the usage of energy, arresting leakages, use of alternate sources of energy, identifying wasteful use of energy and plugging them, monitoring energy consumption, etc .

### **B. Technology Absorption and Research & Development**

R&D is an important means for achieving future growth and maintaining relevance in the market. It significantly contributes towards organizational growth and sustained market share.

Through Research and Development (R&D) a Company works to generate new knowledge that it might use to create new technology, products, services, or systems that it will either use or sell. The main aim of the R&D activities is to design and develop new and improved products, increase business efficiency, reduce costs, and remain competitive in the market.

R&D activities follow a systemic approach of converting the market needs into technical specifications, developing new prototypes, carrying out field trials of the prototypes, regulatory marketing & product development activities like documentation, and final launching of the product for commercial use. R&D activities also include improvement in existing products & processes. R&D activities also involve protection proprietary rights of patents and non-disclosure agreements to maximize the Company's profit. R&D provides support to the various departments of the organization to improve productivity.

The Company's R&D department is registered with the Department of Science & Industrial Research (DSIR), Government of India and mainly works in the field of agro dairy & renewable energy to provide solutions via process innovation and development of both hardware and software.

Major activities undertaken by R&D during the financial year 2024-25 includes:

#### **a) Design and Development of the Cost-Effective Advanced Data Processor Unit**

To reduce the BOM cost and remain competitive in the market, R&D has taken up the task of cost effective ADPU design and development.

Initially USB feature was enabled in the ADPU by using the separate hardware FTDI PCB. To reduce the cost, the USB feature has been integrated in the same ADPU PCB by using Microcontroller Inbuilt USB hardware

capabilities and changing the compiler for software integration. Further USB keyboard, internal RTC and integrated USB flash drive features have also been integrated in the new design of the ADPU PCB.

Other product up-gradations carried out are as follows:

1. PCB Testing Jig for Lactoscan
2. USB based BLE module forAMCU
3. Cost-Effective 4G modem with Wi-Fi and alternate BLE forADPU
4. BMC Data logger with MFM

### ENGINEERING & DOCUMENTATION

The product documentation plays a critical role in ensuring consistency in manufacturing and operation. The R&D department manages the document archive and extends support to various divisions on a need basis. It also carries out works related to re-engineering, cost optimization through development of alternate sources, safeguarding the intellectual property of the Company, etc. R&D is also maintaining a library of technical books, journals, standards etc. for reference of the developers.

### R&D Expenditure

The expenditure on Research & Development (R&D) during the year is as under:

	(Rs. in Lakh)
(a) Capital	--
(b) Revenue	228.46
(c) Total	<u>228.46</u>
(d) Total R&D expenditure, as a percentage of total turnover, stood at 1.43%	

### Foreign Exchange Earnings and Outgoings

During the year the Company has earned a sum of Rs. 1638.00 Lakhs in foreign currency. The Company has also used total foreign exchange worth of Rs. 444.45 Lakhs.

### REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2024-25

Governance reflects the culture and values of a Company and its Management. For years, REIL has promoted practices, standards, and resources to maximize the stakeholders' value legally, ethically and on a sustainable basis while ensuring fairness, transparency and accountability to the benefit all stakeholders comprising customers, vendors, investors, regulators, employees and society at large. The Company believes that good governance in a Company enhances the confidence, trust, and enthusiasm of its stakeholders. In dealing with external

stakeholders, the Company believes in maintaining complete transparency with timely exchange of information.

The Board of the Company recognizes the importance of maintaining high standards of corporate governance, which underpins our ability to deliver consistent financial performance and value to our stakeholders. In line with the above philosophy, the Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices.

The Company's governance framework is based on the following principles:

- Fairness and equitable treatment towards stakeholders to encourage active co-operation between the Company and its stakeholders;
- Timely and accurate disclosure of all material matters relating to the Company, including the financial situation, performance, ownership, and governance of the Company;
- Continuous and on-going focus on training, development and integration of employees across all levels to achieve Company's objectives;
- High degree of disclosure and transparency levels;
- Achievement of goals with compassion for people and environment;
- Full Legal and Regulatory compliance in all areas in which the Company operates;
- Recognition of obligations towards all stakeholders – shareholders, customers, employees, suppliers, society and robust systems and processes for internal control.

The Company believes in conducting business in a manner that complies with the Corporate Governance procedures and Code of Conduct, exemplifies the core values and positions REIL to deliver long-term returns to the shareholders, favourable outcomes to the customers, attractive opportunities to the employees, giving an opportunity to the suppliers to partner the Company in progress and enrichment of society

The Board of your Company constantly endeavors to set goals and targets aligned to the Company's vision and mission – “To be the leader in the rural sector for business area of Dairy Electronics, significant player in Renewable Energy and in related areas of Information Technology applications with minimal environmental impact.” and “To put in efforts to meet the emerging needs of customers and serve them through development/ marking and delivery of quality products and dependable after sales service.”

## BOARD AND COMMITTEES :

### a) Board of Directors :

The Company is a Government of India Company under the administrative control of the Ministry of Heavy Industries. The Board of Directors has a combination of Executive (Functional) and Non-Executive Directors. As on 31<sup>st</sup> March, 2025, there were 5 Directors on the Board comprising of one Managing Director and Four Non-Executive Directors (including one Independent Directors). During the year, four Board Meetings were held on 16<sup>th</sup> July, 2024, 6<sup>th</sup> September, 2024, 30<sup>th</sup> December, 2024 and 25<sup>th</sup> March, 2025 respectively.

The details of composition of the Board as at 31.03.2025, the attendance record of the Directors at the Board Meeting and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are as follows:

Name of the Director	Category	No. of Meetings attended	Whether attended last AGM held on 30.10.2024	Number of Directorships in other Public Companies	Number of Committee positions held in other Public Companies	
					Member	Chairman
Smt. Shivangi Swarnkar	Chairman (Part Time) (w.e.f. 07.02.2025)	1	N.A.	6	--	--
Shri Inderjeet Singh	Chairman (Part Time) (Up to 07.02.2025)	1	Present	N.A.	--	--
Shri Shivprasad Nakate	Chairman (Part Time) (Up to 23.09.2024)	1	N.A.	N.A.	--	--
Shri Rakesh Chopra	Managing Director (Up to 30.07.2024)	4	N.A.	NIL	--	--
Dr. P. N. Sharma	Managing Director (Additional Charge) (w.e.f. 01.08.2024)	2	Present	NIL	--	--
Dr. Renuka Mishra	Director (Part time) (w.e.f. 23.07.2024)	2	Not Present	9	--	--
Ms. Mukta Shekhar	Director (Part time) (Up to 23.07.2024)	0	N.A.	N.A.	--	--
Smt. Anju Goyal	Director (Part time) (w.e.f. 20.03.2024)	4	Present	3	--	--
Shri Dinesh Kumar Sharma	Independent Director (Up to 07.10.2024)	2	N.A.	NIL	--	--
Shri Dinesh Kumar Pahadia	Independent Director (w.e.f. 07.10.2024)	2	Not Present	1	--	--

### b) Board Procedure :

As a good governance practice and as per the guidance note issued by the Institute of Company Secretaries of India, the Board approves in advance, a tentative schedule of the Board Meetings to be held during the ensuing financial year considering the requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. The Board agenda is circulated to the Directors in advance. The Board Agenda includes an Action Taken Report comprising of actions arising from the past Board Meetings and status updates thereof. The Board meets at regular intervals to discuss and decide on business strategies/policies and review performance of the Company. Video-conferencing facility as per procedure mandated under the Act, is also provided to facilitate the Directors participating in the meetings conveniently.

### c) Board's Responsibilities :

The Board provides leadership, strategic guidance, objective and an independent view to the Company's Management while discharging its responsibilities and ensures that the Management adheres to ethics, transparency and disclosures which ultimately serve the long-term goals of all its stakeholders along with achieving the Company's objectives and sustainable profitable growth.

### d) Audit Committee :

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013. During the financial year ended 31<sup>st</sup> March, 2025, four Audit Committee Meetings were held on 15<sup>th</sup> July, 2024, 06<sup>th</sup> September, 2024, 30<sup>th</sup> December, 2024 and 25<sup>th</sup> March, 2025 respectively.

During the financial year 2024-25, the composition of the Audit Committee was as under :

Name of Director attended	Category	No. of Audit Committee meetings attended
Shri D. K. Sharma	Chairman (Up to 07.10.2024)	2
Shri Dinesh K. Pahadia	Chairman	2
Shri Rakesh Chopra	Managing Director	1
Dr. P. N. Sharma	Managing Director (Additional Charge)	3
Smt. Anju Goyal	Director (Part Time)	4

The terms of reference of the Board Level Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
  3. Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
    - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013;
    - ii. Changes, if any, in accounting policies and practices and reasons for the same;
    - iii. Significant adjustments made in the financial statements arising out of audit findings;
  4. Reviewing, with the Management, the quarterly financial statements and auditor's report thereon before submission to the Board for approval;
  5. Review and monitor the auditor's independence and performance and effectiveness of audit process;
  6. Discussion with internal auditors on any significant findings and follow up thereon.
  7. Evaluation of internal financial controls and risk management systems;
  8. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
- e) Other Committees of Directors :

The Board has constituted the Committees of Directors and delegated powers and responsibilities with respect to specific purposes. The Committees such as Nomination and Remuneration Committee, CSR Committee, SD Committee, R & D Committee, Ethics Committee and Steering Committee having representation of Independent Director(s). Meeting of these have been duly conducted as and when required. Company has a Whistle Blower Policy where no personnel have been denied access to the audit committee.

## MANAGEMENT ANALYSIS AND DISCUSSION

The Management discussion and analysis statements are attached to this report.

## HUMAN RESOURCE MANAGEMENT:

Company's Human Resource policies and processes have undergone significant transformation and evolution over the years to remain pertinent in a changing environment, enhance organizational agility, and ensure compliance with

evolving rules and regulations. In recognition of these efforts, the Company was honored with the Certificate of Excellence by the Employers Association of Rajasthan for the year 2024.

At the close of financial year 2024-25, the total number of employees on permanent rolls of the Company is 173.

## Training & Development

Training and development programs are integral to the Company, emphasizing continuous learning for its employees. The Company invests in and encourages its employees to acquire both technical and behavioral skills to enhance quality, productivity, and achieve excellence in their respective areas, thereby staying abreast of changing technologies and skills. In the financial year 2024-25, the Company conducted a total of 80 man- days of training for officers, supervisors, and workers.

During the financial year 2024-25, the Company conducted a diverse range of training programs for employees both internally and externally. These included workshops on contract management/ safeguards in tendering, public procurement and contracting with special focus to Micro and Small Enterprises (MSEs), preventive vigilance awareness on Cyber Hygiene, prevention of sexual harassment and gender sensitization, Rajbhasha, ethics and governance, advanced augmented & virtual reality under Future Skill PRIME programme, training for women on International Women's Day, etc.

## Promotion of Hindi Language

The Company remains committed to vigorously promoting and successfully implementing the Official Language Policy. Regular monitoring and review of progress are carried out by the Official Language Implementation Committee. To foster proficiency in the official language, the Company has implemented a training program on Hindi typing. Various competitions, prizes, and incentives were also announced during the fortnight-long "Hindi Pakhwada" to encourage the use of Hindi language, including among employees from non-Hindi speaking areas. Throughout the year 2024-25, the Company actively participated in activities organized by NARAKAS, (Upkram) Jaipur.

## Corporate Social Responsibility

Your Company believes that Corporate Social Responsibility (CSR) plays a major role in the development of the country. Therefore, it has made CSR an integral part of its ethos and culture. For the financial year 2024-25, the Company has not undertaken any CSR projects due to non-availability of CSR funds as per the requirement of The Companies (CSR Policy) Rules, 2014. The Company has organised medical health check-up camps and has developed field for sports activities resulting in better health & overall development of employees at large.

## Right To Information Act, 2005

The Company has implemented The Right to Information Act, 2005 and has complied with all provisions of the Act and responded all RTI applications well within the given timeline.

**Deposits :**

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 during FY 2024-25.

**OTHER INFORMATION**

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review :

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirms that :

- I. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2025, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- II. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2024-25 and loss of the Company for that period;
- III. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. that the annual accounts have been prepared for the financial year ended 31<sup>st</sup> March, 2025 on a 'going concern' basis'
- V. that the Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- VI. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**STATUTORY AUDITORS**

The Comptroller & Auditor General of India (CAG) has appointed M/s G.K. Mittal & Associates, Jaipur as Statutory Auditors of the Company for the financial year 2024-25.

The Statutory Auditors of the Company have given qualified report on the accounts of the Company for the financial year 2024-25. The emphasis of matter given in the Auditor's report is noted. Annexure-3 to the Independent Auditors Report dated 18.07.2025 in respect of qualified opinion regarding point (a)&(b) is self-explanatory and the Management response on the qualification in the Auditors Report is as per Annexure-B.

**COMMENTS OF C&AG**

The review of Financial Statements for the year ended 31<sup>st</sup> March, 2025 has been carried out by the Comptroller and Auditor General of India (C&AG). Review and Comments of C&AG forms part of this report.

**COST AUDITORS**

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are prepared and records have been maintained relating to departments. The Cost Audit Report for the year ended March 31<sup>st</sup>, 2024 of the Company was filed with the Central Government within the prescribed time. M/s K. G. Goyal & Associates, Jaipur were the Cost Auditor of the Company for the FY 2024-25.

**PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013**

There was no employee of the Company who received remuneration in excess of the limits prescribed under the Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence the information may be treated as NIL.

**APPRECIATIONS & ACKNOWLEDGEMENT**

Your Directors thank the Government of India, the State Governments and various regulatory authorities for their co-operation and support to facilitate ease in doing business. The Board also gratefully acknowledges the support and guidance received from various Ministries of the Government of India, particularly the Ministry of Heavy Industries, and from Management of RIICO, for their continued support and guidance.

Your Directors also wish to thank its customers, business associates, distributors, channel partners, suppliers and bankers for their continued support and faith reposed in the Company.

Your Directors wish to place on record deep appreciation, for the contribution made by the employees at all levels for their hard work, commitment and dedication towards the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
**Brijesh Dixit**  
**MANAGING DIRECTOR**  
**(DIN : 1108697)**

Sd/-  
**Anju Goyal**  
**DIRECTOR**  
**(DIN : 10558241)**

PLACE : Jaipur  
DATE : 19.09.2025

# Annexure to Directors' Report

## MANAGEMENT DISCUSSION AND ANALYSIS

### a) CORPORATE OVERVIEW

The focus is on shaping rural India through Electronics, Renewable Energy & IT Solutions as well as working in other diversified areas. REIL provides technology solutions for qualitative & quantitative analysis of milk across all verticals of Dairy Industry sector, addresses needs of the rural and related urban sector through Solar Photo Voltaic, Information Technology & Security Surveillance applications. The Company has diversified in the area of Geospatial Drone Survey. REIL's products contribute to the social and economic welfare of the rural masses. The financial year 2024-25 has been positive in terms of acquiring good orders with futuristic scope, project-centric operation and business diversification in key area that will lead to growth in the current financial year in terms of progress of the Company in stiff competitive business scenario.

### b) ECONOMY REVIEW

#### Global Economy and Outlook

The latest *World Economic Outlook* reports a slowdown in global growth as downside risks intensify. While policy shifts unfold and uncertainties reach new highs, policies need to be calibrated to rebalance growth-inflation trade-offs, rebuild buffers, and reinvigorate medium-term growth, thereby reducing both internal and external imbalances. Policies that promote healthy aging, bridge gender disparities, and enhance the alignment of migrants' skills with local labor market demands can play a crucial role in countering slow economic growth and fiscal pressures, especially when coupled with infrastructure investment.

Global growth is projected at 3.3 percent both in 2025 and 2026, broadly unchanged from the October 2024 World Economic Outlook (WEO) forecast with an upward revision in the United States offsetting downward revisions elsewhere. The near-term outlook is characterized by divergent paths, while medium-term risks to growth are tilted to the downside. Renewed inflationary pressures could interrupt the monetary policy pivot, with implications for fiscal sustainability and financial stability. The policy mix should balance trade-offs and rebuild buffers.

#### Indian Economy Overview and Outlook

The Indian economy is experiencing robust growth in FY 2024-25, with a projected GDP growth of 6.5%, making it the fastest-growing major economy. Inflation is under control, reaching a low of 2.82% in May 2025. Exports, particularly in services, are at record highs, contributing to the overall positive economic outlook.

Factors contributing to growth :

- Strong Domestic Demand : Robust domestic consumption and investment are fueling economic expansion.
- Government Initiatives : Government policies like "Make in India", "Startup India", and infrastructure development projects are boosting various sectors.
- Resilient Services Sector : The services sector continues to be a major contributor to GDP and employment.
- Strategic Industries : There's a growing focus on strategic industries like defense production.
- Agricultural Rebound : The agriculture sector is expected to see a rebound in growth.

#### c) Internal control system and its adequacy:

The Company's internal control system ensures efficiency, reliability, completeness of accounting records and timely preparation of reliable financial and management information. In addition, it also ensures compliances of all applicable laws and regulations, optimum utilisation and protection of the Company's assets. In order to ensure that all checks and balances are in place and all internal control system are in order, regular and exhaustive internal audit of various divisions are conducted by experienced firm of Chartered Accountants.

#### d) Risk management report :

##### Overview

Risk is an integral and unavoidable component of all businesses. REIL's Risk management Plan plays a key role in supporting the business to deliver sustainable growth and generating value for its customers, investors, employees

and other stakeholders. Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared. Risk management is embedded within our operating framework and we have a well-defined, internal financial control structure. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

**Risk Management Practices** - The key risk management practices include the following reporting processes.

- Risk Identification and Assessment
- Risk Evaluation
- Risk Reporting and Disclosures
- Risk Mitigation and Monitoring
- Integration with Strategy and Business Plan

Risks are governed by the Board of Directors, Managing Director and the heads of concerned departments.

#### e) Analysis and Review

The Company is holding prominent position in the Dairy Industry through its customer focused approach by way of ensuring prompt product delivery and after sales support. Besides achieving business targets, the focus of the Electronics department has been to satisfy its esteemed customers. The Electronics department continuously provides best services to its customer through deployment of accurate and reliable testing equipment at village level/ milk collection centre in the villages and strategically manpower deployment throughout the country.

During the financial year 2024–25, the Company achieved record-breaking order bookings totaling Rs. 360.69 crore, the highest in its history. This remarkable growth was primarily driven by strong order inflows in the Renewable Energy and Information Technology sectors. Notably, the Company secured orders from new domains, marking its successful entry into diverse fields and expanding its presence into previously untapped markets. The provision of Security and Ancillary Services for various examinations conducted by the Rajasthan State Selection Board has opened significant opportunities to replicate this model with other examination authorities across the country.

Looking ahead, the orders and Letters of Award (LoAs) received in the Renewable Energy sector particularly under the Hybrid Annuity Model (HAM), PSU CSR initiatives, and other rooftop solar projects on government buildings present significant opportunities for future expansion. REIL aims to strategically target the development of SPV-based rooftop solar power plants across various government departments and institutions under various schemes unlocking further growth in this promising segment.

Smart IT solutions to the dairy industry like MILKNET and SIMCoS will help us enter untapped dairy markets by digitizing milk collection and enabling DBT-like direct payments to farmers, ensuring transparency and trust. Similarly, solar projects on dairies hold strong potential and can be widely replicated, helping dairies become self-reliant and energy-efficient. We are exploring opportunities in high-end dairy solutions which will further strengthen and expand our presence in the dairy sector.

Having successfully executed projects in Drone and Aerial Surveillance Systems, we are now exploring technology partnerships for other drone related services. Additionally, the process of establishing a Remote Pilot Training Organization (RPTO) is underway, which will create new opportunities for training and skill development in the drone sector.

The successful execution of work with the Guyana Energy Agency has not only enhanced our credibility in the international market but also opened up avenues for future collaborations. This milestone positions us to offer customized energy solutions aligned with their evolving requirements, and creates a strong foundation for expanding our footprint in similar global markets.

With a strong order booking position, numerous orders and agreements in progress, and a continued focus on cost-cutting measures, R&D, and strategic analysis, we are well-prepared to move forward with confidence and achieve our targets for the coming year.



Annexure-A

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2025

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

**I. REGISTRATION AND OTHER DETAILS**

I. CIN	U51395RJ1981GOI002249
II. Registration Date	12 <sup>th</sup> June, 1981
III. Name of the Company	RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED
IV. Category / Sub-Category of the Company	Central Public Sector Enterprise / Company Limited by shares
V. Whether listed company Yes / No	No
VI. Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company are given below:-

SL. No.	Name and Description of main products/services	NIC Code of the product/ service *	% to total turnover of the Company
1.	Dairy Milk Testing Equipment	2651 - Manufacture of measuring, testing, navigating and control equipment	43.51%
2.	Solar Photovoltaic Modules / Systems.	3510- Electric power generation, transmission and distribution	56.49%

\* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SL. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1.	Nil	Nil	Nil	Nil	Nil	Nil

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

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2024)				No. of Shares held at the end of the year (As on 31-03-2025)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF									
b) Central Govt	N.A.	6247500	6247500	51%	N.A.	6247500	6247500	51%	0.00
c) State Govt (s)									
d) Bodies Corp.	N.A.	6002500	6002500	49%	N.A.	6002500	6002500	49%	0.00
e) Banks / FI									
f) Any Other .....									
Sub-total (A) (1):-	N.A.	12250000	12250000	100%	N.A.	12250000	12250000	100%	0.00
(2) Foreign									
a) NRIs - Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other .....									
Sub-total (A) (2) :-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1) + (A)(2)	N.A.	12250000	12250000	100%	N.A.	12250000	12250000	100%	0.00
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
b) Banks / FI									
c) Central Govt.									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1) :-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00

<b>2. Non-Institutions</b>	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
a) Bodies Corp. i) Indian ii) Overseas									
b) Individuals i) Individual shareholders holding nominal share capital upto Rs.1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh									
c) Others									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2):-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	N.A.	12250000	12250000	100%	N.A.	12250000	12250000	100%	0.00

(ii) Shareholding of Promoters

SL. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2024)			Shareholding at the end of the year (As on 31-03-2025)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	The President of India	6247500	51	-	6247500	51	-	-
2.	RIICO	6002500	49	-	6002500	49	-	-
	<b>Total</b>	<b>12250000</b>	<b>100</b>	<b>-</b>	<b>12250000</b>	<b>100</b>	<b>-</b>	<b>-</b>

**(iii) Change in Promoters' Shareholding as on March 31, 2025 (Please specify, if there is no change)**

Name	Shareholding at the beginning of the year (As on 01-04-2024)		Date	Increase / Decrease in Share- holding	Reason	Cumulative Shareholding during the year (01-04-2024 to 31-03-2025)	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
The President of India	6247500	51	31.03.2025	No Change		6247500	51
Rajasthan State Industrial Development & Investment Corporation Ltd. Jaipur	6002500	49	31.03.2025	No Change		6002500	49

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL			
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year ( or on the date of separation, if separated during the year)				

**(v) Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL			
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year				

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in Lakh)

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

SL. No.	Particulars of Remuneration	Name of Managing Director	
		Shri Rakesh Chopra (up to 31.07.2024)	Dr. P. N. Sharma (w.e.f 01.08.2024)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	41.34	25.73
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others i.e. PF and Pension	1.27	2.23
	<b>Total (A)</b>	<b>42.61</b>	<b>27.96</b>

**B. Remuneration to other Directors :**
**(Rs. in Lakh)**

SL. No.	Particulars of Remuneration	Name of Directors	
		Shri D. K. Sharma	
1.	Independent Directors <ul style="list-style-type: none"> <li>● Fee for attending board / committee meetings</li> <li>● Commission</li> <li>● Others, please specify</li> </ul>	0.32	
	<b>Total (1)</b>	<b>0.32</b>	
2.	Other Non-Executive Directors <ul style="list-style-type: none"> <li>● Fee for attending board / committee meetings</li> <li>● Commission</li> <li>● Others, please specify</li> </ul>	Nil	
	<b>Total (2)</b>	<b>Nil</b>	
	<b>Total (B) = (1+2)</b>	<b>0.32</b>	
	<b>Total Managerial Remuneration</b>		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**
**(Rs. in Lakh)**

SL. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO (Shri Subhash Agrawal)	Company Secretary (Shri Amit K. Jain)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	40.69	14.57	56.26
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others i.e. PF and Pension		3.52	1.32	4.84
	<b>Total</b>		<b>44.21</b>	<b>15.89</b>	<b>61.10</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
NIL					

**The Management Response on the qualification in the Independent Auditors' Report is mentioned below:**

	Audit Observation	Management Reply
1.	<p><b><u>Non reporting of cancellation of subsidy by GOI in relation to EV chargers under FAME-II and non accounting of cancellation of subsidy and return of goods by Magenta</u></b></p> <p>The company has not accounted for the return of goods during the year by M/s Magenta Power Pvt. Ltd together with resultant effect on subsidy receivable. The details are as follows:</p> <p>The company had allotted the work to M/s Magenta Power Pvt. Ltd. (M/s Magenta) as O&amp;M partner for 10 years as per devised business model of the company (i.e. investment by O&amp;M partner- 30% on EV Charger cost under category A + offered Upfront Payment + offered Revenue Sharing) under FAME-II scheme of MHI. The company sold material worth <b>Rs. 19.36 Crore (incl. GST)</b> to the party in FY-2021-22. The company recognized and adjusted the government grant of <b>Rs. 13.32 Crore</b> towards this supply.</p> <p>The company terminated the MOA with M/s Magenta due to breach of terms of agreement; whereupon M/s Magenta filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On <b>06.10.2023</b> Hon'ble High Court, Jaipur appointed a Sole Arbitrator to adjudicate the disputes between the parties. As per the directions of sole Arbitrator M/s Magenta has handed over the material to the company. The material worth <b>Rs. 8.17 Cr.(excl. GST)</b> has been received back in the factory at Kanakpura while material worth <b>Rs. 4.70 Cr. (excl. GST)</b> is said to be lying in premises of Bhopal City Link Ltd., Bhopal and material worth <b>Rs. 4.70 Cr. (excl. GST)</b> is said to be lying in premises of Atal Indore City Transport Services Limited.</p> <p>During the FY 2023-24, the material worth <b>Rs. 8.17 Cr. (excl. GST)</b> was received back in the factory at Kanakpura while material worth <b>Rs. 4.70 Cr. (excl. GST)</b> is said to be lying in premises of Bhopal City Link Ltd., Bhopal and material worth <b>Rs. 4.70 Cr. (excl. GST)</b> is said to be lying in premises of Atal Indore City Transport Services Limited.</p> <p>As the material has been returned back by M/s Magenta, and the company has itself stated that it is going to appoint new agency to work in place of M/s Magenta, hence the company should have accounted for return of goods from the party as well as resultant effect on inventory, subsidy and expense heads but it has not passed any entries in this regard. As a result:</p> <ul style="list-style-type: none"> <li>- Current Liabilities has been understated by Rs. 6.04 Crores (with amount of sale return net of subsidy and incl. GST).</li> <li>- Inventory is understated by Rs. 17.56 Crores (Cost of material returned by M/s Magenta).</li> <li>- Subsidy Receivable from Government is overstated by Rs. 12.85 Crores (amount outstanding in books) and Current Liability is understated by Rs. 0.47 Crores (Difference of subsidy recognized in relation to Magenta and the amount already accounted as subsidy receivable from Govt.).</li> </ul> <p>Further, looking to the period of delay of approx. <b>4 years</b> and fast technological changes in the field of electric charging, the inventory received back from M/s Magenta might have suffered impairment in value but no such assessment has been carried out by the company and we cannot comment thereon. Moreover the warranty period has also expired by this duration.</p>	<p>Matter in respect of cancellation of sanction/ allotment of EV chargers under FAME-II scheme has not been accounted for as communication has been received from Government of India on 20.06.2025 allowing the Company for execution of EV Charging Infrastructure project for 222 nos. and matter is also pending in court of law therefore, Management is of the view that presently there is no need for Accounting adjustments.</p>

<p>2. <b><u>Insufficient Provision for bad and doubtful debts</u></b></p> <p>We have been informed that out of total debtors of <b>Rs. 198.97 Crore</b>, the debtors amounting to <b>Rs. 81.09 Crore</b> are outstanding for more than 5 years which constitutes 40.75% of total debtors. We have observed that in many of these accounts the amount is said to have been withheld on account of liquidated damages (LD) or non-performance of contractual obligations. Moreover the company has represented that there is regular follow up for recovery but in vain and that LD is not leviable on company for diverse reasons. The company has not maintained consolidated detail regarding specific reasons of non-recovery in these accounts including LD imposed by debtors. The company has even sent legal notices in some cases after the observation by C&amp;AG inspection in case of few accounts.</p> <p>Against the amount of <b>Rs. 81.09 Crore</b> outstanding for more than 5 years the provision for doubtful debts of <b>Rs. 24.33 Crore</b> has already been made in the books of accounts (as per policy of company) and creditors amounting to <b>Rs. 38.45 Crore</b> are said to be outstanding on back to back basis, which leaves <b>Rs. 18.31 Crore</b> the recovery of which is also not ascertainable.</p> <p>Furthermore the total provision for bad and doubtful debts as on 31.03.2025 is <b>Rs. 28.49 Crore</b> (incl.. <b>24.33 Crore</b> in respect of debtors above 5 years), which shows that in respect of balance debtors outstanding for less than 5 years, provision of only <b>Rs. 4.16 Crore</b>.</p> <p>The above facts indicate that the provision for doubtful debts is insufficient, but due to lack of complete details and lack of reasonable ascertainment of realizability of dues from debtors we are unable to quantify the same. Moreover in absence of complete information and assessment of liquidated damages imposed by various debtors we cannot quantify its effect on profit and loss/reserves of the company.</p>	<p>The Company has made provision for bad and doubtful debts as per consistent accounting policy on year to year basis. In opinion of the Management, sufficient provision has been created for bad and doubtful debts as apart from total provision of Rs. 28.49 crore, most of the old outstanding balances are duly covered by receivable from customers as well as payable to the vendors / sub-contractors on back to back basis. In this regard please refer to note No. 32.3(C) of balance sheet for the year 2024-25 which is reproduced as under:-</p> <p>'Trade Payable includes Rs.10661.54 Lakhs as at March 31, 2025 (Rs. 9593.19 Lakhs as at March 31, 2024) which is payable to the contractor only when the payment is received from customer.'</p>
<p>3. <b><u>EESL-Nimboni Additional Site</u></b></p> <p>The company had supplied SPV Power Plant to Energy Efficiency Services Limited at Nimboni Additional Site (Maharashtra) in year 2019-20 for <b>Rs. 4.03 Crore (incl. GST)</b>. Thereafter credit note was issued for <b>Rs. 1.14 Crore (incl. GST)</b> in FY 2021-22 towards sales return out of this sale. The material sold to EESL was purchased from M/s Powerone Microsystem Pvt. Ltd. As per the information available the work could not be started at this location. Apart from material returned to REIL (as mentioned above), the balance material has been taken back by M/s Powerone Microsystem Pvt. Ltd..</p> <p>In this regard no accounting entries have been made in books of accounts except for return of SPV power plant amounting to <b>Rs. 1.14 Crore (incl. GST)</b>.</p> <p>The amount outstanding as due to be received from EESL in respect of this project is <b>Rs. 2.89 Crore</b> which is actually not receivable and thus the debtor is overstated by <b>Rs. 2.89 Crore</b>.</p> <p>Further the creditor account of M/s Powerone Microsystem Pvt. Ltd.is overstated by <b>Rs. 2.20 Crore</b> which is in respect of material burnt at site and taken back by M/s Powerone Microsystem Pvt. Ltd..</p>	<p>Legal notice has been issued to M/s. EESL to recover outstanding balance. As the contract was awarded for execution on back to back payment term basis, therefore, Accounting adjustments shall be carried out after settlement of all the pending issues.</p>

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013  
ON THE FINANCIAL STATEMENTS OF  
RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2025**

The preparation of financial statements of Rajasthan Electronics and Instruments Limited for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 18 July 2025..

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Rajasthan Electronics and Instruments Limited for the year ended 31 March 2025 under section 143(6)(a) of the Act.

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

Sd/-  
**(Dr. Pawan Kumar Konda)**  
OSD  
(Industry & Corporate Affairs)  
New Delhi

Place : New Delhi  
Dated : 28 AUG 2025

# INDEPENDENT AUDITOR'S REPORT

To  
**The Members of  
Rajasthan Electronics & Instruments Limited**

## Report on the Audit of the Financial Statements

### OPINION

We have audited the accompanying Financial Statements of Rajasthan Electronics & Instruments Limited (“the Company”) which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date, and notes to the 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 **except for the effects of the matters described in the Basis for Qualified Opinion paragraph**, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“IND AS”) prescribed under section 133 of the Companies Act 2013, “the Act” read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (“IND AS”) and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its Loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR QUALIFIED OPINION

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the “Auditor's Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We, having obtained sufficient appropriate audit evidence, conclude that misstatements, individually or in aggregate, are material but not pervasive to the financial statements.

Further, looking to the period of delay of approx **4 years** and fast technological changes in the field of electric charging, the inventory received back from M/s Magenta might have suffered impairment in value but no such assessment has been carried out by the company and we cannot comment thereon. Moreover the warranty period has also expired by this duration.

a. **Non reporting of cancellation of subsidy by GOI in relation to EV chargers under FAME-II and non accounting of cancellation of subsidy and return of goods by Magenta**

The company has not accounted for the return of goods during the year by M/s Magenta Power Pvt. Ltd together with resultant effect on subsidy receivable. The details are as follows:

The company had allotted the work to M/s Magenta Power Pvt. Ltd. (M/s Magenta) as O&M partner for 10 years as per devised business model of the company (i.e. investment by O&M partner- 30% on EV Charger cost under category A + offered Upfront Payment + offered Revenue Sharing) under FAME-II scheme of MHI. The company sold material worth Rs. 19.36 crore (incl GST) to the party in FY-2021-22. The company recognized and adjusted the government grant of Rs. 13.32 Crore towards this supply.

The company terminated the MOA with M/s Magenta due to breach of terms of agreement; whereupon M/s Magenta filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur appointed a Sole Arbitrator to adjudicate the disputes between the parties. As per the directions of sole Arbitrator M/s Magenta has handed over the material to the company. The material worth Rs. 8.17 Cr.(excl. GST) has been received back in the factory at Kanakpura while material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Bhopal City Link Ltd., Bhopal and material worth Rs. 4.70 Cr. (excl. GST) is said to be lying in premises of Atal Indore City Transport Services Limited.

During the FY 2023-24, the material worth **Rs. 8.17 Cr. (excl. GST)** was received back in the factory at Kanakpura while material worth **Rs. 4.70 Cr. (excl. GST)** is said to be lying in premises of Bhopal City Link Ltd., Bhopal and material worth **Rs. 4.70 Cr. (excl. GST)** is said to be lying in premises of Atal Indore City Transport Services Limited.

As the material has been returned back by M/s Magenta, and the company has itself stated that it is going to appoint new agency to work in place of M/s Magenta, hence the company should have accounted for return of goods from the party as well as resultant effect on inventory, subsidy and expense heads but it has not passed any entries in this regard. As a result:

- Current Liabilities has been understated by **Rs. 6.04 Crore** (with amount of sale return net of subsidy and incl. GST).
- Inventory is understated by **Rs. 17.56 Crore** (Cost of material returned by M/s Magenta).
- Subsidy Receivable from Government is overstated by **Rs. 12.85 Crore** (amount outstanding in books) and Current Liability is understated by **Rs. 0.47 Crore** (Difference of subsidy recognized in relation to Magenta and the amount already accounted as subsidy receivable from Govt.)

**b. Insufficient Provision for bad and doubtful debts.**

We have been informed that out of total debtors of **Rs. 198.97 Crores**, the debtors amounting to **Rs. 81.09 Crores** are outstanding for more than 5 years which constitutes **40.75%** of total debtors. We have observed that in many of these accounts the amount is said to have been withheld on account of liquidated damages (LD) or non performance of contractual obligations. Moreover the company has represented that there is regular follow up for recovery but in vain and that LD is not leviable on company for diverse reasons. The company has not maintained consolidated detail regarding specific reasons of non-recovery in these accounts including LD imposed by debtors. The company has even sent legal notices in some cases after the observation by C&AG inspection in case of few accounts.

Against the amount of **Rs. 81.09 Crores** outstanding for more than 5 years the provision for doubtful debts of **Rs. 24.33 Crores** has already been made in the books of accounts (as per policy of company) and creditors amounting to **Rs. 38.45 Crores** are said to be outstanding on back to back basis, which leaves **Rs. 18.31 Crores** the recovery of which is also not ascertainable.

Furthermore the total provision for bad and doubtful debts as on 31.03.2025 is **Rs. 28.49 Crores** (incl. **24.33 Crores** in respect of debtors above 5 years), which shows that in respect of balance debtors outstanding for less than 5 years, provision of only **Rs. 4.16 Crores**.

The above facts indicate that the provision for doubtful debts is insufficient, but due to lack of complete details and lack of reasonable ascertainment of realizability of dues from debtors we are unable to quantify the same. Moreover in absence of complete information and assessment of liquidated damages imposed by various debtors we cannot quantify its effect on profit and loss/reserves of the company.

**c. EESL-Nimboni Additional Site**

The company had supplied SPV Power Plant to Energy Efficiency Services Limited at Nimboni Additional Site (Maharashtra) in year 2019-20 for **Rs. 4.03 Crores (incl GST)**. Thereafter credit note was issued for **Rs. 1.14 Crores (incl. GST)** in FY 2021-22 towards sales return out of this sale. The material sold to EESL was purchased from M/s Powerone Microsystem Pvt. Ltd. As per the information available the work could not be started at this location. Apart from material returned to REIL (as mentioned above), the balance material has been taken back by M/s Powerone Microsystem Pvt. Ltd.

In this regard no accounting entries have been made in books of accounts except for return of SPV power plant amounting to **Rs. 1.14 Crores (incl GST)**. The amount outstanding as due to be received from EESL in respect of this project is **Rs. 2.89 Crores** which is actually not receivable and thus this debtor is overstated by **Rs. 2.89 Crores**.

Further the creditor account of M/s Powerone Microsystem Pvt. Ltd. is overstated by **Rs. 2.20 Crores** which is in respect of material burnt at site and taken back by M/s Powerone Microsystem Pvt. Ltd.

**Although quantification of effect of qualifications could not be made in the case of point no (b), but as mentioned in Point No. (a) & (c) the Current Assets have been understated by Rs. 1.82 Crores & Current Liabilities are understated by Rs. 4.31 Crores.**

**EMPHASIS OF MATTER**

Without qualifying our opinion in this respect we draw your attention towards matters specified below which are of such importance that these are fundamental to the user's understanding of financial statements.

- a. Note No 7.1 & 19 B wherein balances of Trade

receivables and Trade payables have not been confirmed. Consequential impact on confirmation/reconciliation/ adjustment of such balances (which will not be material as per management), if any, is not ascertainable.

- b. Note No. 8.1 regarding Deferred Tax Assets of **Rs. 24.41 Crores** carried in books of account in view of the reasons stated therein, the realization of which would depend on generation of sufficient profits in the future as anticipated / projected by the management.
- c. Note No 32.3(c) with respect to trade payable which includes **Rs 106.62 Crores** payable to contractors only when the payment is received from customers.
- d. Note No 20.1.2 regarding non-disclosure of contingent liability of interest claim by an MSME vendor (M/s Gansun Global Solutions India Private Limited) on an amount of **Rs. 14.75 Lakhs** as the amount of interest is not ascertainable and they had filed an application before Hon'ble High Court of Andhra Pradesh at Amaravati. On 26.12.2022 The Hon'ble High Court passed the order directed to the petitioner to prefer an appeal under sec 34 of the Arbitration Act at Arbitration court at Jaipur. Now the matter is pending before Commercial Court, Jaipur. As per the management, reliable estimates of the interest obligation cannot be made; hence, the same has not been disclosed as Contingent Liability.
- e. Note No. 10.2 regarding reversal of inventory by **Rs. 20.29 Lakhs** in respect of credit note raised during the FY 2025-26.
- f. The Government had cancelled the sanction/allotment of EVCS under Fame II scheme due to non-commissioning of chargers vide letter dated **31/07/2023** and had directed the company to refund the subsidy amount of **Rs. 8,15,08,000/-** with interest thereon. Although now after various representations of the company the Government has issued a letter on **20/06/2025** that REIL may complete the execution of **222 numbers** EVCS by 31/03/2026 and the release of remaining subsidy will be done as per the Fame-II Scheme.

Our opinion is not modified in respect of the above matters.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statement of current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We

have not determined the matters to be the key audit matters to be communicated in our report.

#### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Annual Report, but does not include the Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to report that fact. On the auditor's report date, we have nothing to report in this regard, as the Annual Report is expected to be made available to us after the date of this auditor's report.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

In preparing the 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.

The Board of Director's are also responsible for overseeing the Company's financial reporting process.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- i) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.
- iv) Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and based

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of Misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (1) Planning the scope of our audit work and in evaluating the results of our work (2) to evaluate the effect if about unidentified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Use of Work of Previous Auditor's, Internal Auditors and Auditor's Expert (SA 600, SA 610 & SA 620) :**

We have relied on the following work performed by other auditors and experts during the course of our audit :

**A. Using Work of Previous Auditors (SA 600) :**

We have relied on the audit report issued by M/s Y. Chaturvedi & Co, Chartered Accountants, dated September 6, 2024, in respect of the opening balances, comparative financial information and their various comments, qualifications and observations.

**B. Using the work of Internal Auditors (SA 610-Revised) :**

We have relied on the work of the Internal Auditors, M/s R. K. Malpani & Associates, Chartered Accountants, in accordance with SA 610 (Revised), based on their reports :

a) Dated December 24, 2024, for the period from April 1, 2024 to September 30, 2024; and

b) Dated June 6, 2025, for the period from October 1, 2024 to March 31, 2025.

Their work was primarily considered for evaluating the adequacy and operating effectiveness of internal controls and compliance mechanisms.

**C. Using work of Auditor's Expert for Valuation of Employee Benefits (SA 620) :**

We have relied on the report of an auditor's expert, M/s K. A. Pandit, for the valuation of employee benefits, dated May 25, 2025. Their competence, capabilities, and objectivity were evaluated in accordance with SA 620 before placing reliance.

**D. Using Stock Audit Report for Inventory Valuation :**

We have also considered the stock audit report dated December 4, 2024, conducted by M/s Chittora & Co., Chartered Accountants, for the purpose of valuation of inventories.

The observations contained in the proprietary audit conducted by C&AG dated May 16, 2025 for the period 01.04.2023 to 31.03.2025, were also kept in mind while arriving to our opinion.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered and according

to the information and explanations given to us, in the "Annexure 2" on the directions issued by the Comptroller and Auditor General of India.

3. 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 Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity and Statement of Changes in other Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the IND AS specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) The provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company, being a Government Company in terms of notification no. G.S.R.463 (E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3".
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not - applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463(E) dated June 5, 2015.
5. 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) Amendments Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in financial statement. - Refer Note 20.1 (b) ,(c) (d) ,and Note 35 (G) to the Financial Statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Board of Director's has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities („intermediaries“) with the understanding whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Board of Director's has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities (Funding Parties) with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that

has caused us to believe that the representation under sub-clause (a) and (b) contain any material misstatement;

- v. The company has neither declared nor paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable for the company w.e.f. April 1, 2023, reporting under this is not applicable.
- vii. Based on our examination, which included test checks, it has been observed that the Company has used windows based accounting software developed in-house, for maintaining its books of account for the financial year ended March 31, 2025. As per the management, the accounting software being used has a feature of recording audit trail (edit log) (except in respect of separate softwares used for maintaing inventory and HR records). As explained to us, the feature of audit tails had been enabled w.e.f. 31st March 2024 in the main accounting software (and not implemented in the inventory and HR Software). However, the software is a single user one, which does not reflect proper internal control. Hence, the audit trail does not contain the full details of user who passes the entry and subsequent changes made thereafter. The management of the company also explained that the audit trail feature cannot be tampered with. However, in the absence of any formal certificate from any third party vendor who develops such feature, we are unable to comment on whether entries can be disabled / tampered or not. Further, it was explained to us that the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place : Jaipur  
Dated : 18-07-2025

**For G. K. MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
UDIN : 25079348BMOU2Y2665

**ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE  
MEMBERS OF RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED,  
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025  
(Referred to in Paragraph 1 of "Report on Other Legal and Regulatory requirements"  
section of our Audit Report)**

As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we report that:

- (i) In respect of Property, Plant and Equipment:
- (a) A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
  - B) The Company has generally maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year at reasonable interval and no material discrepancies were identified on such physical verification.
- (c) According to the information and explanations given by the management and on the basis of our examination of the copy of the title deeds, the immovable properties disclosed in the financial statements are held in the name of the Company. Although the original title deeds are said to be lying with bank against loan taken by the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company as provided to us, there are no proceedings initiated during the year or pending against the Company as on March 31, 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and rules made thereunder.
- (ii) In respect of its inventories:
- (a) According to information and explanation given to us

and on the basis of our examination of the records of the company the inventory has been physically verified by the management at reasonable intervals during the year. No discrepancy of 10% or more in the aggregate of each class of inventory was noticed.

- (b) According to information and explanation given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limit amounting **Rs 60 Crores** from bank (PNB) during the year on the basis of primary security of current assets. Necessary quarterly returns or statements have been filed by the company with such bank during the year.
- (iii) In respect of loans:
- According to the information and explanations given to us and on the basis of our examination of the records of the Company the company has not made Investments in and granted advances in the nature of loans during the year to other parties. The company has not provided any guarantees or securities, granted loans and advances in the nature of loans during the year to companies, firms or limited liability partnerships and other parties, details of which are stated below
- a) A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any loans or advances in the nature of loans or has not provided any guarantee or security to subsidiaries and joint ventures during the year.
  - B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the company has not granted advances in the nature of loans to any other parties or employees during the year. The company has not provided any guarantee or security to other parties during the year.
  - b) The company has not made investments, grant advances or loans and give guarantee in respect thereof provisions of clause (iii) (b), (c) (d) (e) and (f) of the Order are not applicable to the Company and

hence not commented upon.

(iv) According to the information and explanations given to us, in respect of loans, investments, guarantees and securities, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in all material aspects.

(v) According to the audit evidences obtained and information and explanations given to us, the Company has received advances from customers amounting to **Rs. 13,28,81,022/-** which are outstanding for more than 365 days. Such advances are deemed as deposits in terms of Section 73 of The Companies Act, 2013 and rule 2(1)(c) of The Companies (Acceptance of Deposits) Rules, 2014.

Further, as observed and as explained to us, the company is neither a NBFC nor has its accepted any funds as deposits as such. We also report that RBI Directives in respect of NBFCs are not applicable to the company, in view of the above.

(vi) In respect of cost records:

We have been informed that the books of account maintained by the Company are pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of The Companies Act, 2013, related to manufacture of electrical goods and electrical machinery and are of the opinion that prima facie, the prescribed cost records have been maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete. We are reporting based on the information provided to us and the report issued by the Cost Auditor for the previous year.

(vii) In respect of statutory dues:

a. The Company is generally regular in depositing with the undisputed statutory dues, including Provident Fund, Employees State Insurance, Service Tax, Income-tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues, as recorded in Books of Account, applicable to the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year end for a period more than six months from the date they became payable except as follows:

1) Custom duty payable against export obligation amounting **Rs 53.66 Lakhs**. It had been

explained that no demand had been issued by any authority in this regard.

b. According to the information and explanations given to us, there are no dues of Income Tax, Service Tax, Excise Duty, Value Added Tax, Custom Duty and Goods and Service Tax which have not been deposited on account of any dispute except the following:

Name of Act	Nature of the dues	Disputed amount (₹ in Lakh)	Period to which amount relates	Forum where dispute is pending
Central Excise Act	Service Tax	3.82	F.Y. 2009-10 (Vide order dt.24.07.12)	CESTAT (Custom Excise & Service Tax Appellate Tribunal)
CGST Act	GST	238.46	F.Y. 2019-20	The Appeal had been rejected by Commissioner (Appeal). The company had taken stay from Rajasthan High Court against recovery of demand. Further the Appeal would be filed with Tribunal when the tribunal would be constituted.
CGST Act	GST	2.32	F.Y. 2018-19	Appeal filed with Addl. Commissioner (Appeal) CGST
CGST Act	GST	304.45	F.Y. 2020-21	Filed a Civil Writ petition before Hon'ble High Court, Jaipur against Union of India through Assitance Commissioner, GST for gating stay for the demand

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as Income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as Income during the year.
- (ix) In respect of repayment of dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of dues to any lender.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not taken any term loan. Therefore clause (ix) (c) is not applicable to the company.
  - d) According to the information and explanations given to us and on the basis of our examination of the records of the company, no funds raised on short term basis have been used for long-term purpose of the company.
  - e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates and joint ventures.
  - f) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- (x) a) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the order is not applicable to the company.
- b) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(x)(b) of the order is not applicable to the company.
- (xi) a) To the best of our knowledge and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules 2014 with the central government.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, no cases were received by the company under Whistle Blower Policy of the Company.
- (xii) In respect of Nidhi Company:  
The Company is not a Nidhi Company. Therefore, this clause is not applicable to the Company.
- (xiii) In respect of Related Parties:  
All transactions with the related parties are in compliance with section 188 and 177 of The Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by applicable accounting standards.
- (xiv) a) Based on information and explanations provided to us and based on our audit procedures, the company has an Internal Audit System but it does not commensurate with its size and nature of business and needs to be strengthened.
- b) We have been provided and have considered the internal audit reports of the Company for the year 2024-25.
- (xv) In respect of Non-cash transactions with directors:  
According to the information and explanations given to us, the Company has not entered into any non-cash

transactions with directors or persons connected with him and hence the provisions of section 192 of The Companies Act, 2013 is not applicable to the Company.

- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore clause (xvi)(a),(b),(c) and (d) of paragraph 3 of the order is not applicable to the company.
- (xvii) The company reported a cash loss of **Rs. 700.88 Lakhs** in the current financial year, compared to a cash profit of **Rs. 507.18 Lakhs** in the previous year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, Clause 3(xviii) of the Order is not applicable. However, the previous auditors had vacated their position in compliance with the directions issued by the Comptroller and Auditor General of India (C&AG).
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our

knowledge of the Board of Directors and management plans and based on our examination of the relevant evidence, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) The company does not meet the criteria of Section 135 with regard to Corporate Social Responsibility (CSR) hence clause (xx)(a) and (b) is not applicable to the company.
- (xxi) According to the information and explanations given to us there is no any qualification or adverse remarks by the respective auditor in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

Place : Jaipur  
Dated : 18-07-2025

**For G. K. MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
UDIN : 25079348BMOU2Y2665

**ANNEXURE- 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE  
MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED,  
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March, 2025:-

<b>S. No.</b>	<b>Directions</b>	<b>Action Taken</b>	<b>Impact on IND AS Financial Statements</b>
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed/ carried outside the IT system except that the accounting software and Inventory Software are non-integrated. However, there are no implications on the integrity of the accounts.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for ? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.	Nil
3	Whether funds (grants/subsidy etc) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out, it was observed that the Company has accounted for/ utilized the funds as per terms and conditions laid down by authority / agency except as referred to in Qualification no. (a) of Basis of Qualified Opinion mentioned in Main Audit Report.	As per Main Audit Report.

Place : Jaipur  
Dated : 18-07-2025

**For G. K. MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
UDIN : 25079348BMOU2Y2665

**ANNEXURE- 3 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE  
MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED,  
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**

**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 RAJASTHAN ELECTRONICS AND INSTRUMENTS LIMITED (“the Company”) as of March 31, 2025 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). 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 the Company's 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 based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Basis of Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2025:

- (a) **Keeping in view the size, nature and complexities of the business, the company's internal audit system needs to be strengthened along with periodic review of financial statements of the company**
- (b) **The Company does not have an appropriate internal control system in respect of movement of goods which shows that there is lack of internal control over issue and receipt of material and for obtaining external confirmation from Trade Receivables and Trade Payables on periodic basis. During the year**

**the company had issued account statement to Trade Receivables and Trade Payable however it had not been confirmed by them. Hence, we are unable to comment on the operating effectiveness of this system.**

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified Opinion**

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2025, 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, and except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2025.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 Financial Statements of the Company, and these material weaknesses do not affect our opinion on the Financial Statements of the Company.

Place : Jaipur  
Dated : 18-07-2025

**For G. K. MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
UDIN : 25079348BMOU2Y2665

## COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March 2025 in accordance with the Directions/Sub-Directions issued by the Comptroller & Auditor General (C&AG) of India under section 143(5) of The Companies Act, 2013 and certify that we have complied with all the Directions/Sub-Directions issued to us.

Place : Jaipur  
Dated : 18-07-2025

**For G. K. MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
UDIN : 25079348BMOU2Y2665



## BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2025

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>I. Non-current Assets</b>			
(a) Property, plant and equipment	4	2,516.73	2,706.00
(b) Capital work-in-progress	4	-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible assets			
(i) Technical Know How	5	-	-
(f) Intangible Assets under development		-	-
(g) Biological Assets other than bearer Plants		-	-
(h) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	6	116.17	102.92
(iii) Loans		-	-
(iv) Other financial assets	9A	56.53	78.76
(v) Deferred Tax Asset ( Net )	8	2,441.37	2,109.21
(vi) Other non-current assets		-	-
<b>Total Non-current Assets</b>		<b>5,130.80</b>	<b>4,996.89</b>
<b>II. Current Assets</b>			
(a) Inventories	10	1,701.76	1,913.05
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	7	17,048.04	15,180.16
(iii) Cash and cash equivalents	11	4,846.89	1,118.02
(iv) Bank balances other than (iii) above	11A	195.61	307.58
(v) Loans			
(vi) Other financial assets	9B	182.33	113.64
(c) Current tax assets	13	279.93	439.28
(d) Other current assets	12	490.57	724.00
<b>Total Current Assets</b>		<b>24,745.13</b>	<b>19,795.73</b>
<b>Total Assets (I + II)</b>		<b>29,875.93</b>	<b>24,792.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
(a) Equity share capital	14	1,225.00	1,225.00
(b) Other Equity	15	4,431.85	5,336.04
<b>Total Equity</b>		<b>5,656.85</b>	<b>6,561.04</b>
<b>LIABILITIES</b>			
<b>II. Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities		-	-
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	19A	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	19A	16.60	48.52
(b) Provisions	17A	306.90	292.22
(c) Deferred tax liabilities ( Net )		-	-
(d) Other non-current liabilities	18A	164.46	147.26
<b>Total Non-current Liabilities</b>		<b>487.96</b>	<b>488.00</b>
<b>III. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities		-	-
(iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	19B	2,193.76	2,214.10
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	19B	16,354.99	12,161.79
(iv) Other financial liabilities	16	453.63	372.97
(b) Other current liabilities	18B	3,668.02	2,065.05
(c) Provisions	17B	1,060.72	929.67
<b>Total Current Liabilities</b>		<b>23,731.12</b>	<b>17,743.58</b>
<b>IV. Total Liabilities (II + III)</b>		<b>24,219.08</b>	<b>18,231.58</b>
<b>Total Equity and Liabilities (I + IV)</b>		<b>29,875.93</b>	<b>24,792.62</b>

See accompanying notes to the Financial Statements ( 1-36 )  
As per our separate report of even date

For and on behalf of the Board of Directors

**For G. K. MITTAL & ASSOCIATES**

Chartered Accountants  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER

M.No. 079348

Place : Jaipur

Date : 18.07.2025

UDIN : 25079348BMOU2Y2665

Sd/-  
**( Dinesh Kumar Pahadia )**  
Director  
DIN : 08925960

Sd/-  
**( Amit Kumar Jain )**  
Company Secretary

Sd/-  
**( Brijesh Dixit )**  
Managing Director  
DIN : 11086971

Sd/-  
**( Subhash Agrawal )**  
Chief Financial Officer



**STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I. Revenue from Operations	21	15,748.78	18,578.06
II. Other income	22	211.22	343.48
<b>III. Total Income (I + II)</b>		<b>15,960.00</b>	<b>18,921.54</b>
<b>IV. Expenses</b>			
Cost of material consumed	23	9,053.74	10,199.78
Purchase of stock in Trade		-	-
Change in inventories of finished goods	24	(187.69)	88.87
Employee benefits expense	25	3,284.13	3,256.61
Finance costs	26	30.35	83.32
Depreciation, Impairment and amortisation expenses	27	194.55	191.04
Other expenses	28	4,808.91	4,665.04
<b>Total expenses</b>		<b>17,183.99</b>	<b>18,484.66</b>
<b>V. Profit / (Loss) before exceptional items and tax (III-IV)</b>		<b>(1,223.99)</b>	<b>436.88</b>
VI. Add: Exceptional items		-	-
<b>VII. Profit / (Loss) after exceptional items and before tax</b>		<b>(1,223.99)</b>	<b>436.88</b>
<b>VIII. Less: Tax expense</b>	29		
1. Current tax		-	-
2. Provision Reversal		-	-
3. Deferred tax		(328.56)	120.74
<b>Total Tax Expense</b>		<b>(328.56)</b>	<b>120.74</b>
<b>IX Profit / (Loss) for the period from continued operations (VII - VIII)</b>		<b>(895.43)</b>	<b>316.14</b>
X Profit / (loss) from discontinued operations		-	-
XI Tax expenses of discontinued operations		-	-
XII Profit / (loss) from Discontinued operations (after tax) ( X-XI)		-	-
XIII Profit / (loss) for the period (IX + XII)		<b>(895.43)</b>	<b>316.14</b>
<b>XIV Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(12.36)	(57.35)
B (i) Income tax relating to items that will not be reclassified to profit or loss		3.60	16.71
<b>Total other comprehensive income (XIV=A(i)+B(i))</b>		<b>(8.76)</b>	<b>(40.64)</b>
<b>XV Total comprehensive income for the year (XIII+XIV)</b>		<b>(904.19)</b>	<b>275.50</b>
<b>XVI Earnings per equity share</b>	30		
(1) Basic (in Rs.)		(7.31)	2.58
(2) Diluted (in Rs.)		(7.31)	2.58

See accompanying notes to the Financial Statements ( 1-36 )

As per our separate report of even date

For and on behalf of the Board of Directors

For G. K. MITTAL & ASSOCIATES

Chartered Accountants  
(FRN. 005842C)

Sd/-  
(JOGENDRA SINGH SHEKHAWAT)  
PARTNER

M.No. 079348

Place : Jaipur

Date : 18.07.2025

UDIN : 25079348BMOU2Y2665

Sd/-  
( Dinesh Kumar Pahadia )  
Director  
DIN : 08925960

Sd/-  
( Amit Kumar Jain )  
Company Secretary

Sd/-  
( Brijesh Dixit )  
Managing Director  
DIN : 11086971

Sd/-  
( Subhash Agrawal )  
Chief Financial Officer



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2025

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Cash flows from operating activities</b>		
Profit/(Loss) for the year	(895.43)	316.14
<b>Adjustments for:</b>		
Income tax expense recognised in profit or loss	(328.56)	120.74
Allowances for bad debts	319.63	100.93
Assets Written-off	0.31	0.11
Finance costs recognised in profit or loss	30.35	83.32
Interest income recognised in profit or loss	(92.27)	(106.45)
Depreciation and amortisation	194.55	191.04
Bad Debts / Subsidy receivable written-off	0.72	-
<b>Cash generated from operations before working capital changes</b>	<b>(770.70)</b>	<b>705.83</b>
Movements in working capital:		
(Increase) / Decrease in trade receivables	(2,201.48)	1,280.04
(Increase) / Decrease in other assets	298.94	(322.97)
(Increase) / Decrease in inventories	211.29	161.75
Increase / (Decrease) in trade payables	4,140.94	(556.05)
Increase / (Decrease) in provisions	133.37	(255.43)
Increase / (Decrease) in other payables	1,700.83	(1,087.95)
	<b>4,283.89</b>	<b>(780.61)</b>
Cash generated from operations	3,513.19	(74.78)
Income Taxes Paid / refund received	159.35	(172.22)
<b>Net cash generated by operating activities</b>	<b>3,672.54</b>	<b>(247.00)</b>
<b>B. Cash flows from investing activities</b>		
Payments for property, plant and equipment	(7.44)	(16.72)
Proceeds from disposal of property, plant and equipment	1.85	-
Interest Income	92.27	106.45
<b>Net cash (used in)/generated by investing activities</b>	<b>86.68</b>	<b>89.73</b>
<b>C. Cash flows from financing activities</b>		
Finance cost paid	(30.35)	(83.32)
<b>Net (used in)/ generated in financing activities</b>	<b>(30.35)</b>	<b>(83.32)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>3,728.87</b>	<b>(240.59)</b>
Cash and cash equivalents at the beginning of the year*	1,118.02	1,358.61
<b>Cash and cash equivalents at the end of the year*</b>	<b>4,846.89</b>	<b>1,118.02</b>

### Reconciliation of Cash and Cash Equivalents

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents as per Cash Flow Statement	4,846.89	1,118.02
Difference	-	-
Cash and cash equivalents as per Balance Sheet ( Refer table under)	4,846.89	1,118.02

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Balances with Banks (a+b+c)</b>	<b>4,844.99</b>	<b>1,116.99</b>
PNB Savings Account (a)	0.14	0.14
Other Bank Balances (b)	946.47	104.95
Deposits with Bank (c)	3,898.38	1,011.90
Cash on hand	1.90	1.03
Cheques, drafts on hand	-	-
<b>Cash and cash equivalents</b>	<b>4,846.89</b>	<b>1,118.02</b>

- 1 The above cash flow statement prepared under the "indirect method" as set out in the Ind AS 7 "Cash flow statement".
- 2 Figures for previous year have been regrouped wherever necessary for uniformity in presentation.
- 3 Brackets indicate cash outflow.
- 4 Cash & cash equivalents includes Rs. 0.14 Lakhs which is not available for use in normal business operations

See accompanying notes to the Financial Statements ( 1-36 )

**As per our separate report of even date**

**For G. K. MITTAL & ASSOCIATES**

Chartered Accountants  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER

M.No. 079348

Place : Jaipur

Date : 18.07.2025

UDIN : 25079348BMOU2Y2665

**For and on behalf of the Board of Directors**

Sd/-  
**( Dinesh Kumar Pahadia )**  
Director  
DIN : 08925960

Sd/-  
**( Brijesh Dixit )**  
Managing Director  
DIN : 11086971

Sd/-  
**( Amit Kumar Jain )**  
Company Secretary

Sd/-  
**( Subhash Agrawal )**  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY

(All amounts Rs.in Lakhs, unless otherwise stated)

### A. Equity share capital

#### 1. Statement of changes in equity for the year ended March 31, 2025

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,225.00	-	-	-	1,225.00

#### 2. Statement of changes in equity for the year ended March 31, 2024

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the Previous reporting period
1,225.00	-	-	-	1,225.00

See accompanying notes to the Financial Statements ( 1-36 )

As per our separate report of even date

For and on behalf of the Board of Directors

**For G. K. MITTAL & ASSOCIATES**

Chartered Accountants  
(FRN. 005842C)

Sd/-  
**(JOGENDRA SINGH SHEKHAWAT)**  
PARTNER  
M.No. 079348  
Place : Jaipur  
Date : 18.07.2025  
UDIN : 25079348BMOU2Y2665

Sd/-  
**( Dinesh Kumar Pahadia )**  
Director  
DIN : 08925960

Sd/-  
**( Amit Kumar Jain )**  
Company Secretary

Sd/-  
**( Brijesh Dixit )**  
Managing Director  
DIN : 11086971

Sd/-  
**( Subhash Agrawal )**  
Chief Financial Officer

## B. Other Equity

### 1. Statement of changes in other equity for the year ended March 31, 2025

(All amounts Rs.in Lakhs, unless otherwise stated)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of cashflow Hedges	Revaluation Surplus	Exchange Diff. on translating the financial statements of a foreign Operation	Other items of Other Comprehensive Income	Money Received share against warrants	Total
			Capital Reserve	Securities Premium	Other Reserve (specify nature)	Retained Earnings								
					General Reserve							(Remeasurement of net defined benefit plan)		
(a) Balance at the beginning of the current reporting period	-	-	-	-	5,273.45	318.67	-	-	-	-	-	(256.08)	-	5,336.04
(b) Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	(8.76)	-	(8.76)
(e) Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Transfer from General Reserve	-	-	-	-	(900.00)	900.00	-	-	-	-	-	-	-	-
(g) Any other change (to be specified)	-	-	-	-	-	(895.43)	-	-	-	-	-	-	-	(895.43)
(h) Balance at the Current Reporting Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	4,373.45	323.24	-	-	-	-	-	(264.84)	-	4,431.85

See accompanying notes to the Financial Statements ( 1-36 )

### 2. Statement of changes in other equity for the year ended March 31, 2024

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of cashflow Hedges	Revaluation Surplus	Exchange Diff. on translating the financial statements of a foreign Operation	Other items of Other Comprehensive Income	Money Received share against warrants	Total
			Capital Reserve	Securities Premium	Other Reserve (specify nature)	Retained Earnings								
					General Reserve							(Remeasurement of net defined benefit plan)		
(a) Balance at the beginning of the current reporting period	-	-	-	-	4,973.45	302.53	-	-	-	-	-	(215.44)	-	5,060.54
(b) Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	(40.64)	-	(40.64)
(e) Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Transfer to General Reserve	-	-	-	-	300.00	(300.00)	-	-	-	-	-	-	-	-
(g) Any other change (to be specified)	-	-	-	-	-	316.14	-	-	-	-	-	-	-	316.14
(h) Balance at the Current Reporting Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	5,273.45	318.67	-	-	-	-	-	(256.08)	-	5,336.04

See accompanying notes to the Financial Statements ( 1-36 )

As per our separate report of even date

For and on behalf of the Board of Directors

For G. K. MITTAL & ASSOCIATES

Chartered Accountants  
(FRN. 005842C)

Sd/-  
(JOGENDRA SINGH SHEKHAWAT)  
PARTNER

M.No. 079348

Place : Jaipur

Date : 18.07.2025

UDIN : 25079348BMOU2Y2665

Sd/-  
( Dinesh Kumar Pahadia )  
Director  
DIN : 08925960

Sd/-  
( Amit Kumar Jain )  
Company Secretary

Sd/-  
( Brijesh Dixit )  
Managing Director  
DIN : 11086971

Sd/-  
( Subhash Agrawal )  
Chief Financial Officer

## General Information & Significant Accounting Policies forming part of Financial Statements for the year ended March 31, 2025

### 1. General information :

Rajasthan Electronics & Instruments Limited, Jaipur (REIL) is incorporated and domiciled in India having registered office at 2, Kanakpura Industrial Area, Sirsi Road, Jaipur. The Company is a joint venture between the Government of India (51% shareholding) and Government of Rajasthan through Rajasthan State Industrial Development and Investment Corporation Ltd., Jaipur (RIICO) with share holding of 49%.

The Company was incorporated on 12<sup>th</sup> June, 1981 and falls under the administrative control of Ministry of Heavy Industries, Government of India and is a Mini Ratna PSU. REIL is in the business of Electronic Milk Analyzers and Solar Energy Equipment with minor interest in Wind Power, Information Technology, Industrial Electronics and Electric Vehicle Charging Station.

### 2. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. The amendments so notified are not applicable to the Company during the period. Financial Statements have been prepared as per requirement of Schedule III of the Companies Act, 2013 and accordingly figures (amount) in financial statements have been taken as Rs. in Lakhs.

### 3. Significant accounting policies

The principal accounting policies are set out below:

#### 3.1 Statement of compliance

The financial statements 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.

#### 3.2 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount :

i. Certain Financial Assets and Liabilities,

ii. Defined Benefit Plans – Plan Assets

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

**Current and 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

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. 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:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. 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.

#### 3.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The principal

accounting estimates used have been described under the relevant income/expense and /or asset/ liability item in these financial statements. The Management believes that the estimates used in the preparation of these Financial Statements are prudent and reasonable. Actual results could differ from these estimates.

### **3.4 Property, plant and equipment**

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Freehold land is not depreciated. Leasehold land is amortized over the life of the lease.

Depreciation is recognised so as to write off the cost less their residual values over their useful lives as specified in the Schedule II of the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

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 Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

### **3.5 Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful lives.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

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 and Loss when the asset is derecognized.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has as intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead cost that are directly attributable to preparing the asset for its intended use.

### **3.6 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its Property Plant and Equipment and intangible assets or group of Assets, called Cash Generating Unit (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset or CGU is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### **3.7 Inventories**

Inventories are valued at the lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which

they will be incorporated are expected to be sold at or above cost. Cost is computed on a FIFO basis, Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories comprises of all cost of conversion and other cost incurred in bringing them to their respective present location and condition and valued on the basis of FIFO method.

The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

The inventory in which no transactions of purchases/sales/consumption occurred during the financial year are classified as non-moving inventory whereas the inventories in which less than 20% transactions occurred are classified as slow moving inventory. These inventories are identified on the year end and accordingly written down to the twenty percent of its value. However, if realizable value is higher than the actual cost than, no impact is taken

### **3.8 Revenue Recognition**

Company Recognises revenue from contracts with customers based on a five-step criteria as set out in Ind AS-115:-

- (i) Identification of the contracts with a customer :- A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- (ii) Identification of the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- (iii) Determination of the transaction price : The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.
- (iv) Allocation of the transaction price to the performance obligations in the contract: For a

contract that has more than one performance obligation the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognition of revenue when or as the Company satisfies a performance obligation.

- According to Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.
- The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

- Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and Service Tax etc
- Revenue from services rendered is recognised based on agreements/ arrangements with the customers, over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period and the amount of revenue can be measured reliably.

***Use of significant judgments in revenue recognition***

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / a service promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgment in determining

whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

### Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

### 3.9 Employee Benefits

#### ● Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

#### Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments) and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and

losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### ● Short-term and other long-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 3.10 Financial instruments

#### Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is adjusted to the Fair value of the Financial Asset.

Financial assets are subsequently classified as measured at:

- Amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company

changes its business model for managing financial assets.

**Trade Receivables and Loans:**

Trade receivables and loans are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

The provision for doubtful debts @ 10% for outstanding of more than 3 years and upto 4 years, @ 20% for outstanding of more than 4 years and upto 5 years and @ 30% for outstanding of more than 5 years have been created.

**Debt Instruments :**

Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of

- (i) The entity's business model for managing the financial assets and
- (ii) The contractual cash flow characteristics of the financial asset.

**(a) Measured at amortized cost:**

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any.

The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

**(b) Measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income

measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

**(c) Measured at fair value through profit or loss:**

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

**Derecognition of Financial Asset**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Asset**

- Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.
- For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.
- The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.
- For trade receivables Company applies 'simplified approach' (Refer Point No. 3.10 "Trade Receivables and Loans") which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.
- The impairment losses and reversals are recognised in Statement of Profit and Loss.

## Financial Liabilities :

### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

### Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit and loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### Derecognition of Financial Liability

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### 3.11 Fair value measurement

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 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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.

### 3.12 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits 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 the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

### **3.13 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

### **3.14 Income Taxes**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to an item which is recognised directly in Other Comprehensive Income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expense and penalty, if any, related to income tax is included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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.

### **3.15 Foreign Currency Transaction**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

### **3.16 Government Grant**

The Government Grants (Grant in Aid) are accounted for in accordance with Ind-AS 20. The entity shall consider the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the Grant is intended to compensate

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in Statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance sheet and transferred to Statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

### **3.17 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as Lessee**

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and

lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also re-measured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such re-measurements is adjusted to the value of the ROU assets.

### **3.18 Earnings per Share**

Basic earnings per share is computed by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### **3.19 Non-Current assets held for Sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This

condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are neither depreciated nor amortized.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are presented separately in the Balance Sheet.

### **3.20 Dividend**

Dividends paid (including income tax thereon) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

### **3.21 Cash & Bank Balances**

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and Bank deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### **3.22 Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organized based on businesses which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial

statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

“Unallocated Corporate Expenses” include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole.

### **3.23 Cash Flow Statement**

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

### **3.24 Prior Period Errors**

Prior period errors include omissions and misstatements arising from a failure to use reliable information that was available or could have been obtained when financial statements for those periods were approved for issue.

Material prior period errors relating to the last comparative period will be shown by restating the comparative figures of Balance sheet and Statement of Profit and loss, wherever necessary. Thus, it will be disclosed in the comparative financial statements as if the error had not even occurred.

### **3.25 Event after reporting period**

The 'events after the reporting period' are classified into two categories:

- **Adjusting Events:** Adjusting events are those that provide evidence of conditions that existed at the end of the reporting period; and
- **Non Adjusting Events:** Non-adjusting events are those that are indicative of conditions that arose after the reporting period

Amounts recognised in financial statements are adjusted to reflect adjusting events after the reporting period. Amounts recognised in financial statements are not adjusted to reflect non-adjusting events after the reporting period. If non-adjusting events after the reporting period are material, then such events are disclosed along with the nature of the event and an estimate of its financial effect.

**Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)**  
**Note : 4 Tangible Assets**

**Current Year**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment						Carrying Amount	
	Balance as at April 1, 2024	Additions	Adjustments	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Adjustments	Depreciation expense	Impairment	Disposals	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
<b>Property plant and equipment</b>													
Vehicles	25.95	-	-	-	25.95	23.34	-	1.30	-	-	24.64	1.31	2.61
Road, Drains & water supply	26.34	-	-	-	26.34	25.02	-	-	-	-	25.02	1.32	1.32
Building	1,838.43	-	-	-	1,838.43	287.60	-	31.44	-	-	319.04	1,519.39	1,550.83
Furniture and fixtures	398.50	-	-	2.92	395.58	196.19	-	30.27	-	1.17	225.29	170.29	202.31
Office Equipment	135.70	-	-	-	135.70	74.58	-	9.20	-	-	83.78	51.92	61.12
Wind Power Project	580.00	-	-	-	580.00	551.00	-	-	-	-	551.00	29.00	29.00
Temporary Structure	26.13	-	-	-	26.13	26.13	-	-	-	-	26.13	-	-
Plant and Machinery-Imported	1,519.14	-	-	-	1,519.14	977.65	-	89.87	-	-	1,067.52	451.62	541.49
Plant and Machinery-Indigenous	495.50	0.27	-	2.00	493.77	321.82	-	20.64	-	-	342.46	151.31	173.68
Computer and Printers	232.11	7.17	6.29	-	232.99	194.80	5.98	10.54	-	1.90	197.46	35.53	37.31
<b>Leasehold Premises</b>													
Land	127.28	-	-	-	127.28	20.95	-	1.29	-	-	22.24	105.04	106.33
<b>Subtotal</b>	<b>5,405.08</b>	<b>7.44</b>	<b>6.29</b>	<b>4.92</b>	<b>5,401.31</b>	<b>2,699.08</b>	<b>5.98</b>	<b>194.55</b>	<b>-</b>	<b>3.07</b>	<b>2,884.58</b>	<b>2,516.73</b>	<b>2,706.00</b>
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,405.08</b>	<b>7.44</b>	<b>6.29</b>	<b>4.92</b>	<b>5,401.31</b>	<b>2,699.08</b>	<b>5.98</b>	<b>194.55</b>	<b>-</b>	<b>3.07</b>	<b>2,884.58</b>	<b>2,516.73</b>	<b>2,706.00</b>

4.1 Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts and further collaterally secured by first charge over fixed and movable Capital Assets of the Company.

4.2 The leasehold land includes 40000 Sq.Mtrs. area situated at Kanakpura Industrial Area, Sirsi Road, Jaipur and 2500 Sq.Mtrs. area situated at Mansarovar, Jaipur.

**Previous Year**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment						Carrying Amount	
	Balance as at April 1, 2023	Additions	Adjustments	Disposals	Balance at March 31, 2024	Balance as at April 1, 2023	Adjustments	Depreciation expense	Impairment	Disposals	Balance at March 31, 2024	As at March 31, 2024	As at March 31, 2023
<b>Property plant and equipment</b>													
Vehicles	25.95	-	-	-	25.95	21.34	-	2.00	-	-	23.34	2.61	4.61
Road, Drains & water supply	26.34	-	-	-	26.34	25.02	-	-	-	-	25.02	1.32	1.32
Building	1,838.43	-	-	-	1,838.43	256.21	-	31.39	-	-	287.60	1,550.83	1,582.22
Furniture and fixtures	398.50	-	-	-	398.50	164.48	-	31.71	-	-	196.19	202.31	234.02
Office Equipment	135.70	-	-	-	135.70	65.33	-	9.25	-	-	74.58	61.12	70.37
Wind Power Project	580.00	-	-	-	580.00	551.00	-	-	-	-	551.00	29.00	29.00
Temporary Structure	26.13	-	-	-	26.13	26.13	-	-	-	-	26.13	-	-
Plant and Machinery-Imported	1,519.14	-	-	-	1,519.14	887.73	-	89.92	-	-	977.65	541.49	631.41
Plant and Machinery-Indigenous	495.50	-	-	-	495.50	302.80	-	19.02	-	-	321.82	173.68	192.70
Computer and Printers	217.67	16.72	2.28	-	232.11	190.51	(2.17)	6.46	-	-	194.80	37.31	27.16
<b>Leasehold Premises</b>													
Land	127.28	-	-	-	127.28	19.66	-	1.29	-	-	20.95	106.33	107.62
<b>Subtotal</b>	<b>5,390.64</b>	<b>16.72</b>	<b>2.28</b>	<b>-</b>	<b>5,405.08</b>	<b>2,510.21</b>	<b>(2.17)</b>	<b>191.04</b>	<b>-</b>	<b>-</b>	<b>2,699.08</b>	<b>2,706.00</b>	<b>2,880.43</b>
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,390.64</b>	<b>16.72</b>	<b>2.28</b>	<b>-</b>	<b>5,405.08</b>	<b>2,510.21</b>	<b>(2.17)</b>	<b>191.04</b>	<b>-</b>	<b>-</b>	<b>2,699.08</b>	<b>2,706.00</b>	<b>2,880.43</b>



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

Note : 5 Intangible Assets

(All amounts Rs.in Lakhs, unless otherwise stated)

Current Year

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment			Carrying Amount		
	Balance as at April 1, 2024	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2025	Balance as at April 1, 2024	Amortisation expense	Adjustments	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
<b>Subtotal (a)</b>	<b>72.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72.70</b>	<b>72.70</b>	<b>-</b>	<b>-</b>	<b>72.70</b>	<b>-</b>	<b>-</b>

Previous Year

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment			Carrying Amount		
	Balance as at April 1, 2023	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2024	Balance as at April 1, 2023	Amortisation expense	Adjustments	Balance at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
<b>Subtotal (a)</b>	<b>72.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72.70</b>	<b>72.70</b>	<b>-</b>	<b>-</b>	<b>72.70</b>	<b>-</b>	<b>-</b>

6. Trade receivables - Non Current

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Unsecured, considered good	116.17	102.92
<b>Total</b>	<b>116.17</b>	<b>102.92</b>

7. Trade receivables - Current

Particulars	As at March 31, 2025	As at March 31, 2024
<b>From Related Party</b>		
(a) Unsecured, considered good	1,284.85	2,078.74
<b>From Others</b>		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	15,763.19	13,101.42
(c) Doubtful	2,849.37	2,529.74
Less : Allowance for doubtful debts	2,849.37	2,529.74
<b>Total</b>	<b>17,048.04</b>	<b>15,180.16</b>

7.1 The Company sent letters to the parties for confirmation of the outstanding balance as at 31st March 2025, but the response of these letters has not been received by the company.

7.2 In FAME II scheme of Electric Vehicle Charging Station, Grant of Rs 8.15 crore was received for 680 EVCS to establish 222 nos of EVCSs. The Grant has been utilized to the extent of 70% of EVCS invoiced, further Rs 12.85 crore towards the remaining unadjusted amount of EVCS is receivable from Government of India.

The Memorandum of Agreement was terminated due to breach of the terms of the Agreements on the part of M/s Magenta Power Private Limited & M/s. Tecso Chargezone Pvt. Ltd. to fulfil their obligation of submitting the Performance Bank Guarantee. M/s Magenta Power Private Limited has filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. On 06.10.2023 Hon'ble High Court, Jaipur passed an order, wherein Hon'ble Justice Sabina was appointed as a Sole Arbitrator to adjudicate the disputes between the parties. and as per Arbitrator directions material has been handed over to REIL and final decision is pending. Accordingly, the adjustments in books of accounts shall be done as per final decision. M/s Tesco Charge Zone was terminated due to the non-submission of BG. An Arbitration Application No. 286/2024-25 under Section 9 of Arbitration and Conciliation Act, 1996 was filed before Hon'ble Commercial Court, Jaipur.

8. Deferred Tax Asset (Net)

The following is the analysis of deferred tax Assets/(Liabilities) presented in the balance sheet:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	(368.60)	(368.42)
Deferred tax assets	2,809.97	2,477.63
<b>Net</b>	<b>2,441.37</b>	<b>2,109.21</b>

8.1 In assessing the reliability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. As per Management's estimate it is likely that the company will have taxable future profits over the future years on which this asset may be used. The Company's ability to recover deferred tax assets is assessed by management at the close of each financial year taking into account forecasts of future taxable results

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

**Current Trade Receivables ageing schedule as on March 31, 2025**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	5,117.41	782.97	1,243.29	1,356.40	-	<b>8,500.07</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	8,627.21	<b>8,627.21</b>
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	2,770.13	<b>2,770.13</b>
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5,117.41</b>	<b>782.97</b>	<b>1,243.29</b>	<b>1,356.40</b>	<b>11,397.34</b>	<b>19,897.41</b>
Less : Provision for Doubtful Debts	-	-	-	-	2,849.37	<b>2,849.37</b>
<b>Total Trade Receivables</b>	<b>5,117.41</b>	<b>782.97</b>	<b>1,243.29</b>	<b>1,356.40</b>	<b>8,547.97</b>	<b>17,048.04</b>

**Non Current Trade Receivables ageing schedule as on March 31, 2025**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	116.17	-	-	-	-	116.17
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>116.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116.17</b>
<b>Total Trade Receivables</b>	<b>116.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116.17</b>

**Current Trade Receivables ageing schedule as on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	3,443.58	843.63	215.41	3,948.56	-	<b>8,451.18</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	7,487.40	<b>7,487.40</b>
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	1,771.32	<b>1,771.32</b>
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>3,443.58</b>	<b>843.63</b>	<b>215.41</b>	<b>3,948.56</b>	<b>9,258.72</b>	<b>17,709.90</b>
Less : Provision for Doubtful Debts	-	-	-	-	2,529.74	<b>2,529.74</b>
<b>Total Trade Receivables</b>	<b>3,443.58</b>	<b>843.63</b>	<b>215.41</b>	<b>3,948.56</b>	<b>6,728.98</b>	<b>15,180.16</b>



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

Non Current Trade Receivables ageing schedule as on March 31, 2024

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	102.92	-	-	-	-	102.92
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Total	102.92	-	-	-	-	102.92
<b>Total Trade Receivables</b>	<b>102.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102.92</b>

Year ended March 31, 2025

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax assets/(liabilities) in relation to :</b>				
Property, plant and equipment	(297.11)	9.22	-	(287.89)
Fair Value of financial assets	7.94	1.46	-	9.40
Allowance for Doubtful Debts	736.27	93.47	-	829.74
Deferred revenue	(71.31)	(9.40)	-	(80.71)
Deferred expense	43.12	(3.06)	-	40.06
Provisions for Employee Benefit	516.89	20.53	3.60	541.02
Provisions MSME Interest	-	1.14	-	1.14
Tax on losses (Carry Forward Losses)	1,173.41	215.20	-	1,388.61
<b>Total</b>	<b>2,109.21</b>	<b>328.56</b>	<b>3.60</b>	<b>2,441.37</b>

Year ended March 31, 2024

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax assets/(liabilities) in relation to :</b>				
Property, plant and equipment	(346.29)	49.18	-	(297.11)
Fair Value of financial assets	9.20	(1.26)	-	7.94
Allowance for Doubtful Debts	707.27	29.00	-	736.27
Deferred revenue	(102.23)	30.92	-	(71.31)
Deferred expense	70.78	(27.66)	-	43.12
Provisions for Employee Benefit	589.96	(89.78)	16.71	516.89
Tax on losses (Carry Forward Losses)	1,284.54	(111.14)	-	1,173.41
<b>Total</b>	<b>2,213.23</b>	<b>(120.74)</b>	<b>16.71</b>	<b>2,109.21</b>

9. Other financial assets

9A. Other financial assets - Non current

Particulars	As at March 31, 2025	As at March 31, 2024
<b>From Related Party</b>		
- Security Deposit	0.40	0.40
<b>Others -</b>		
- Security Deposit	53.37	75.60
- Loans & Advances to employee	2.76	2.76
- FDR issued as EMD	-	-
- Cash and bank balance not available for immediate use (See Note below)	-	-
<b>Total</b>	<b>56.53</b>	<b>78.76</b>

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

**Note : Particulars of cash and bank balance not available for immediate use.**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank Balances (Including interest accrued thereon) not available for immediate use being deposits pledged with bank as margin money.	-	224.64
Less : Amount reflected under Other Bank Balance [Note 11A]	-	224.64
<b>Amount reflected under other financial assets - non-current [Note 9A]</b>	-	-

**9B. Other financial assets - Current**

Particulars	As at March 31, 2025	As at March 31, 2024
- Security Deposits	7.33	6.24
- Earnest Money	175.00	107.40
<b>Total</b>	<b>182.33</b>	<b>113.64</b>

**10. Inventories**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Inventories</b>		
Raw Materials	813.81	1,181.41
Raw Material in Production Department	506.17	540.10
Finished goods	369.86	182.17
Packing Material	11.92	9.37
Stores and spares	-	-
Loose tools	-	-
Goods-in-transit	-	-
Stock-in-trade	-	-
Others	-	-
<b>Total</b>	<b>1,701.76</b>	<b>1,913.05</b>

10.1 The inventory includes Non Moving items and Slow moving items.

10.2 The inventory also includes inventory of Rs. 20.29 Lakhs against sales reversal for which credit note has been raised during the year 2025-26

**11. Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Balances with Banks (a+b+c)</b>	<b>4,844.99</b>	<b>1,116.99</b>
PNB Savings Account (a)	0.14	0.14
Other Bank Balances (b)	946.47	104.95
Deposits with Bank (c)	3,898.38	1,011.90
Cash on hand	1.90	1.03
Cheques, drafts on hand	-	-
<b>Cash and cash equivalents</b>	<b>4,846.89</b>	<b>1,118.02</b>

Subsidy received from Ministry of Heavy Industries (MHI) under FAME II Scheme is kept in Saving Bank account and these funds are not available for Normal Business Operations.

**11A. Other Bank Balances**

Particulars	As at March 31, 2025	As at March 31, 2024
Bank Deposits pledged with bank as margin money (maturity more than 3 months but less than 12 months)	116.29	224.64
FDR Issued as EMD	79.32	82.94
<b>Total</b>	<b>195.61</b>	<b>307.58</b>

**Note :** The Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts and further collaterally secured by first charge over fixed and movable Capital Assets of the Company.

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

**12. Other assets - Current**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance against expenses to employees	11.11	1.12
Deposit against GST Appeal	47.92	23.84
Prepaid expenses	13.08	11.32
Other Advances	10.47	18.89
Advances to Vendors	15.95	10.34
GST Adjustable	-	571.05
GST deposited on Advances Received	306.46	7.63
GST TDS	85.58	79.81
<b>Total</b>	<b>490.57</b>	<b>724.00</b>

**13. Current tax assets and liabilities**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current tax assets</b>		
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-
Advance Payment of taxes	298.34	457.68
	<b>298.34</b>	<b>457.68</b>
<b>Current tax liabilities</b>		
Income tax payable	18.41	18.40
	<b>18.41</b>	<b>18.40</b>
<b>Current tax Assets / (Liabilities)</b>	<b>279.93</b>	<b>439.28</b>

**14. Equity Share Capital**

Particulars	As at March 31, 2025	As at March 31, 2024
Equity share capital	1,225.00	1,225.00
<b>Total</b>	<b>1,225.00</b>	<b>1,225.00</b>
<b>Authorised Share capital :</b>		
1,50,00,000 equity shares of Rs. 10 each (as at March 31, 2025 : 1,50,00,000)	1,500.00	1,500.00
<b>Issued and subscribed capital comprises :</b>		
1,22,50,000 fully paid equity shares of Rs. 10 each (as at March 31, 2025 : 1,22,50,000)	1,225.00	1,225.00
	<b>1,225.00</b>	<b>1,225.00</b>

**14.1 Movement during the period**

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Balance at the start of the period	1,22,50,000	1,225.00	1,22,50,000	1,225.00
Movements	-	-	-	-
Balance at the end of the period	1,22,50,000	1,225.00	1,22,50,000	1,225.00

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

**14.2 Details of shares held by each shareholder holding more than 5% shares.**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
<b>Equity shares :</b>				
Government of India	62,47,500	51%	62,47,500	51%
RIICO, JAIPUR	60,02,500	49%	60,02,500	49%
<b>Total</b>	<b>1,22,50,000</b>	<b>100%</b>	<b>1,22,50,000</b>	<b>100%</b>

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

14.3 Details of shares held by the promoters.

(All amounts Rs.in Lakhs, unless otherwise stated)

Shares held by Promoter at the end of the year			% of Change during the year
Promoter Name	No. of shares	% of total shares	
Government of India	62,47,500	51%	-
RIICO, JAIPUR	60,02,500	49%	-

14.4 Details of shares For Preceding Five Years

Particulars	31/03/2024	31/03/2023	31/03/2022	31/03/2021	31/03/2020
Number of Equity Shares Allotted For Contracts without payment received in cash	-	-	-	-	-
Number of Equity Shares issue as Bonus Share	-	-	-	-	-
Number of Equity Shares Bought Back	-	-	-	-	-

15. Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity balance.

Current Year

Particulars	General Reserves	Retained Earnings	Total
<b>Balance as at March 31, 2024</b>	5,273.45	62.59	5,336.04
Add: Profit/(Loss) for the year	-	(895.43)	(895.43)
Add: Other Comprehensive Income	-	(8.76)	(8.76)
Less: Transfer to Retained Earnings	(900.00)	-	(900.00)
Add: Transfer from General Reserve	-	900.00	900.00
<b>Balance as at March 31, 2025</b>	<b>4,373.45</b>	<b>58.40</b>	<b>4,431.85</b>

Previous Year

Particulars	General Reserves	Retained Earnings	Total
<b>Balance as at March 31, 2023</b>	4,973.45	87.09	5,060.54
Add: Profit/(Loss) for the year	-	316.14	316.14
Add: Other Comprehensive Income	-	(40.64)	(40.64)
Less: Transfer to Retained Earnings	300.00	-	300.00
Add: Transfer to General Reserve	-	(300.00)	(300.00)
<b>Balance as at March 31, 2024</b>	<b>5,273.45</b>	<b>62.59</b>	<b>5,336.04</b>

16. Other financial liabilities - Current

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Earnest Money	88.07	40.03
(b) Retention money	20.96	20.96
(c) Security Deposit	142.89	97.64
(d) Employee Benefits Payable	79.98	84.29
(e) Others	108.80	111.65
(f) Reimbursement to Staff against expenses	12.93	18.40
<b>Total</b>	<b>453.63</b>	<b>372.97</b>

17. Provisions

17A. Provisions - Non current

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits	306.90	292.22
<b>Total</b>	<b>306.90</b>	<b>292.22</b>

17B. Provisions - Current

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits	1,010.72	879.67
Provision for Warranty	50.00	50.00
<b>Total</b>	<b>1,060.72</b>	<b>929.67</b>

17.1 Provision for employee benefits includes provision for Gratuity, Leave Encashment, Half Pay Leave & liability for Post Retirement Medical Scheme. The above are recognised as per the report provided by actuary.

17.2 Warranty is provided for Goods as well as for services to customers. The Company provides provision for warranty expenses in accordance with INDAS 37.



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

18. Other liabilities

(All amounts Rs.in Lakhs, unless otherwise stated)

18A. Other non-current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
-Deferred Grant Related to asset	16.02	17.09
-Deferred Revenue	148.44	130.17
<b>Total</b>	<b>164.46</b>	<b>147.26</b>

18B. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Advance from customers</b>		
From Related Parties	-	42.39
From Others	3,207.87	1,674.12
-Deferred Grant Related to income	12.87	12.87
-Deferred Grant Related to asset	1.07	1.07
-Interest payable under Consolidated Fund of India	0.13	0.13
-Deferred revenue	163.73	165.94
-Statutory dues	282.35	168.53
<b>Total</b>	<b>3,668.02</b>	<b>2,065.05</b>

18.1 Deferred Grant related to Income will be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

18.2 Deferred Grant related to Assets is recognised in profit or loss on a systematic basis over the useful life of the asset.

19A. Trade payables - Non Current

Particulars	As at March 31, 2025	As at March 31, 2024
<b>From Related Parties</b>	-	-
<b>From Others</b>		
-Total Outstanding dues of creditors of micro and small enterprises	-	-
-Total Outstanding dues of creditors other than micro and small enterprises	16.60	48.52
<b>Total</b>	<b>16.60</b>	<b>48.52</b>

19B. Trade payables - Current

Particulars	As at March 31, 2025	As at March 31, 2024
<b>From Related Parties</b>	-	-
<b>From Others</b>		
-Total Outstanding dues of creditors of micro and small enterprises	2,193.76	2,214.10
-Total Outstanding dues of creditors other than micro and small enterprises	16,354.99	12,161.79
<b>Total</b>	<b>18,548.75</b>	<b>14,375.89</b>

19.1 The above outstanding amount includes Rs 3229.89 Lakhs due to M/s Suntech Industries because of non fulfillment of contractual obligations The Party has already lost two cases in lower court in respect of Company's customers M/s Pradeshik Cooperative Dairy Federation(PCDF) Uttar Pradesh and M/s UPNEDA. In the case of PCDF on 29.09.2023 Hon'ble High Court, Jaipur directed to appointed an arbitrator and to decide all issues arising for consideration in the proceeding of arbitration. Order dated 27.05.2025 both parties were asked to submit their respective written arguments, both issue-wise and claim-wise. The matter is now ripe for delivery of the final award. In the case of UPNEDA, S.B. Civil arbitration application has been filed before Hon'ble High Court, Jaipur by M/s Suntech Industries. Vide order dated 17.11.2023 passed by the Hon'ble Rajasthan High Court Bench, Jaipur in S.B. Arbitration Application No. 133/2021, appointed Sole Arbitrator in the matter. Matter is sub judice before the arbitrator.

Current Trade Payables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	858.55	122.47	233.44	88.60	890.70	<b>2,193.76</b>
(ii) Others	5,846.50	495.68	655.24	304.55	5,706.41	<b>13,008.38</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	16.19	0.11	3,330.31	<b>3,346.61</b>
<b>Total</b>	<b>6,705.05</b>	<b>618.15</b>	<b>904.87</b>	<b>393.26</b>	<b>9,927.42</b>	<b>18,548.75</b>

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

Non Current Trade Payables ageing schedule as on March 31, 2025

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	16.60	-	-	-	-	16.60
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>16.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.60</b>

Current Trade Payables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	918.92	239.28	74.33	113.65	867.92	<b>2,214.10</b>
(ii) Others	2,532.00	294.74	249.21	2,124.88	3,731.06	<b>8,931.89</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	3,229.90	<b>3,229.90</b>
<b>Total</b>	<b>3,450.92</b>	<b>534.02</b>	<b>323.54</b>	<b>2,238.53</b>	<b>7,828.88</b>	<b>14,375.89</b>

Non Current Trade Payables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 Year to 2 Year	2 Year to 3 Year	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	48.52	-	-	-	-	48.52
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>48.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48.52</b>

20 Contingent liabilities, Contingent assets and Commitments

20.1 Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Guarantees given by bankers on behalf of the company.	1,214.20	1,197.36
(b) Claims against the company not acknowledges as debts.	7,445.07	8,017.94
(c) Stay for GST demand taken from High Court	238.46	238.46
(d) GST demand pending with Commissioner Appeals	304.45	-
(e) Service Tax demand - appeal pending in High Court	3.82	3.82

20.1.1 Claims against the company not acknowledge as debts include claim by M/s Suntech Industries, M/s Uttam Prakash, M/s Magenta Power Pvt Ltd., M/s KBS Certification, Gratuity related matter of contractual employess and Ex-Employees of the Company for which litigation is pending in court of law.

20.1.2 Contingent Liabilities are recognised when a possible obligation arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, One of the MSME Vendors, M/s Gansum Global Solutions India Private Limited having outstanding amount of Rs. 14.75 Lakhs has claimed interest as per MSMED Act, 2006 and filed an application before Hon'ble High Court of Andhra Pradesh at Amaravati. On 26.12.2022 The Hon'ble High Court passed the order directed to the petitioner to prefer an appeal under sec 34 of the Arbitration Act at Arbitration court at Jaipur. Now the matter is pending before Commercial Court, Jaipur. As per the management, reliable estimates of the interest obligation cannot be made, Hence, the same has not been disclosed as Contingent Liability.

20.1.3 M/s KBS Certification Services Pvt. Ltd has filed S.B. Arbitration Application under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for appointment of sole arbitrator in the matter. Hon'ble High Court vide its order dated 09.02.2024 has appointed Justice R.S Kulhari (D.J Retd.) as sole arbitrator in S.B. Arbitration Application No. 31/2023.

20.1.4 M/s Magenta Power Private Limited has filed S.B. Civil Arbitration Application no. 12/2023, 13/2023 and 14/2023 under Section 11(6) of the Arbitration and Conciliation Act 1996 before Hon'ble High Court, Jaipur for seeking appointment of an arbitrator for resolution of the disputes. The total claim amount is of Rs. 2269 Lakhs. On 06.10.2023 Hon'ble High Court, Jaipur passed an order, wherein Hon'ble Justice Sabina was appointed as a Sole Arbitrator to adjudicate the disputes between the parties. On 20.05.2025 final arguments were completed and arbitrator reserved the final award.

20.2 Contingent assets

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance Claims lodged but not approved/settled	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

**20.3 Commitments**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed and not provided for including service and maintenance contracts.	25,562.83	6,197.17
<b>Total</b>	<b>25,562.83</b>	<b>6,197.17</b>

**21. Revenue from operations**

The following is details of the Company's revenue for the period from continuing operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Sales		
Export	1,637.58	6,554.88
Domestic	11,601.89	8,962.57
(b) Sale of Services	-	-
Services Maintenance and installation Charges	2,509.31	3,060.61
(c) Other operating revenues		
Grant in aid	-	-
(d) Excise Duty	-	-
<b>Total</b>	<b>15,748.78</b>	<b>18,578.06</b>

21.1 Grant in aid includes grant related to income amounting to Rs 12.87 Lakhs in previous year which is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

21.2 Revenue disaggregation as has been included in segment information (Refer note 34).

21.3 The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 312.17 Lakhs of which 52.44% is expected to be recognised next year.No consideration from contracts with customers is excluded from the amount mentioned above.

**Changes in Deferred Revenue for the year ended March 31, 2025 are as follows :**

<b>Balances at the beginning of the year</b>	<b>296.11</b>
Revenue recognised during the year	(166.98)
Addition during the year	183.04
<b>Balance at the end of the year</b>	<b>312.17</b>

**22. Other Income**

a) Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Bank Deposits	49.93	53.58
Others	42.34	52.87
<b>Total (a)</b>	<b>92.27</b>	<b>106.45</b>

b) Other Non-Operating Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Insurance Receipts	3.71	5.77
Carriage Receipts	2.89	4.17
Amortisation of Government Grant*	1.07	1.07
Foreign Exchange Fluctuation (net)	30.67	71.23
Duty Drawback on Exports	26.70	120.26
Rent Receipts	52.16	26.00
Others (aggregate of immaterial items)	1.75	8.53
<b>Total (b)</b>	<b>118.95</b>	<b>237.03</b>
<b>Total (a+b)</b>	<b>211.22</b>	<b>343.48</b>

\*Amortisation of Grant of Rs. 1,06,800 ( Rs. 1,06,800 in Previous Year ) is amortisation of grant related to assets which is recognised in profit or loss on a systematic basis over the useful life of the asset.

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

**23. Cost of material consumed**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cost of material Consumed</b>		
Opening stock	1,730.88	1,803.76
Add: Purchase of raw material	8,654.76	10,126.90
	<b>10,385.64</b>	<b>11,930.66</b>
Less: Closing stock	1,331.90	1,730.88
<b>Total</b>	<b>9,053.74</b>	<b>10,199.78</b>

**23A. Details of material consumed**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>(a) Details of Raw Materials consumed</b>		
Solar Energy Equipments		
-Solar Cells	121.16	230.72
-Others	5,645.63	6,276.46
Electronic Milk Analysers	3,254.50	3,659.68
Consumables & packing materials	32.45	32.92
<b>Total</b>	<b>9,053.74</b>	<b>10,199.78</b>
<b>(b) Value of Imported and indigenous material consumed</b>		
Imported	352.69	381.04
Indigenous	8,701.05	9,818.74
<b>Total</b>	<b>9,053.74</b>	<b>10,199.78</b>

**24. Change in inventories of finished goods**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Increase (-) / Decrease (+) in Stock		
Opening Stock		
Finished goods	182.17	271.04
	182.17	271.04
Less: Closing stock		
Finished goods	369.86	182.17
	369.86	182.17
<b>Change in inventories of Finished goods</b>	<b>(187.69)</b>	<b>88.87</b>
<b>Total</b>	<b>(187.69)</b>	<b>88.87</b>

**25. Employee benefits expense**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and Wages	2,874.61	2,883.06
Contribution to provident and other funds	322.42	293.26
Staff Welfare Expenses	39.87	41.56
Medical expenses	47.23	38.73
<b>Total</b>	<b>3,284.13</b>	<b>3,256.61</b>

**26. Finance costs**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest costs*	3.93	0.96
Bank Charges	11.51	52.29
Bank Guarantee Commission	14.91	30.07
<b>Total</b>	<b>30.35</b>	<b>83.32</b>

\* Includes Rs 3.92 Lakh provided for interest on MSME dues



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

**27. Depreciation, impairment and amortisation expense**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment pertaining to continuing operations	194.55	191.04
Impairment loss of Property, Plant and Equipments	-	-
Less : Depreciation of earlier year written off	-	-
Amortisation of intangible assets	-	-
<b>Total depreciation, impairment and amortisation pertaining to continuing operations</b>	<b>194.55</b>	<b>191.04</b>

**28. Other expenses**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Other Expenses</b>		
Power & fuel	43.09	40.62
<b>Repair &amp; Maintenance</b>		
- Plant & machinery	11.29	5.30
- Building	26.12	5.65
- Others	3.12	4.72
Testing & other expenses	2.13	32.33
Component & prototype for R&D	3.20	4.51
Rent	15.22	14.75
Rates & taxes	20.86	16.50
Printing & stationery	13.27	11.75
Travelling & conveyance	76.36	92.77
Postage & communication expenses	13.98	16.43
Legal & professional fee	54.96	55.31
Security, cleaning & other expenses	123.07	77.71
Payment to Auditors	2.98	2.62
Insurance charges	8.84	7.78
Allowances for Doubtful Debts	319.63	100.93
Advertising & business promotion	37.23	16.77
Forwarding expenses	193.81	438.09
Warranty Obligation	80.72	59.05
Royalty, Discount & commission	237.07	189.39
Service, maintenance & installation charges	3,486.14	3,415.40
Miscellaneous expenses	34.79	56.55
Bad debts	0.72	-
Loss on Written off of assets	0.31	0.11
<b>Total</b>	<b>4,808.91</b>	<b>4,665.04</b>

**28.1 Details of remuneration to Auditors**

Remuneration to Auditors	Year ended March 31, 2025	Year ended March 31, 2024
(a) Statutory audit fee	1.25	1.25
(b) Tax audit fee	0.70	0.70
(c) Certification work	0.78	0.42
(d) Out of pocket expenses	0.25	0.25
<b>Total</b>	<b>2.98</b>	<b>2.62</b>

28.2 Miscellaneous expenses includes Director's Sitting fees of Rs.0.32 Lakh (Previous year Rs. 0.60 Lakh) and Board Meeting expenses of Rs. 0.07 Lakh (Previous year Rs. 0.07 Lakh)

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

**29. Income taxes relating to continuing operations**

**29.1 Income tax recognised in profit or loss**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Current tax</b>		
In respect of the current period	-	-
Adjustment of tax relating to earlier year	-	-
	-	-
<b>Provision Reversal</b>		
In respect of the Previous period	-	-
	-	-
<b>Deferred tax</b>		
In respect of the current period	328.56	(120.74)
Adjustment of tax relating to earlier year	-	-
	<b>328.56</b>	<b>(120.74)</b>
<b>Total income tax expense recognised in the current period relating to continuing operations</b>	<b>328.56</b>	<b>(120.74)</b>

**29.2 Income tax recognised in other comprehensive income**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Deferred Tax</b>		
Re-measurement of defined benefit obligation	3.60	16.71
<b>Total</b>	<b>3.60</b>	<b>16.71</b>
Bifurcation of the income tax recognised in other items that will not be reclassified to profit or loss	3.60	16.71

**30. Earnings per share**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	<b>Rs. per share</b>	<b>Rs. per share</b>
<b>From Continuing operations</b>		
Profit / (Loss) after tax	(895.43)	316.14
Weighted average number of equity shares for calculation of basic EPS	122.50	122.50
<b>Basic earnings per share (one equity share of Rs. 10/- each)</b>	<b>(7.31)</b>	<b>2.58</b>
Weighted average number of equity shares for calculation of diluted EPS	122.50	122.50
<b>Diluted earnings per share (one equity share of Rs. 10/- each)</b>	<b>(7.31)</b>	<b>2.58</b>
<b>From Continuing operations</b>	<b>Rs. per share</b>	<b>Rs. per share</b>
Basic earnings per share	(7.31)	2.58
Diluted earnings per share	(7.31)	2.58

**30.1 Basic Earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (Loss) for the period attributable to owners of the Company (A)	(895.43)	316.14
Weighted average number of equity shares for the purposes of basic earnings per share (B)	122.50	122.50
<b>Basic Earnings per share (A/B)</b>	<b>(7.31)</b>	<b>2.58</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)**

(All amounts Rs.in Lakhs, unless otherwise stated)

**30.2 Diluted earnings per share**

The earnings used in the calculation of diluted earnings per share are as follows.

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Earnings used in the calculation of basic earnings per share	(895.43)	316.14
<b>Earnings used in the calculation of diluted earnings per share (A)</b>	<b>(895.43)</b>	<b>316.14</b>
Weighted average number of equity shares used in the calculation of basic earnings per share	122.50	122.50
<b>Weighted average number of equity shares used in the calculation of diluted earnings per share (B)</b>	<b>122.50</b>	<b>122.50</b>
<b>Diluted earnings per share (A/B) (in Rs.)</b>	<b>(7.31)</b>	<b>2.58</b>

**31. Employee benefit plans**

**31.1 Defined contribution plans**

The Company contributes to defined contribution retirement benefit plans for all qualifying employees of its Company maintained at Employee Provident Fund Office, Govt. of India.

The total expense recognised in profit or loss account of Rs. 218.63 Lakhs (Previous Year Rs. 221.88 Lakhs).

**31.2 Defined benefit plans**

The employee gratuity fund scheme is managed by a policy, administered by Life Insurance Corporation of India through approved gratuity trust fund. The present value of obligation is determined based on Actuarial Valuation using the Projected Unit Credit Method to assess the plan's liabilities including those related to retirement, resignation and death-in-service benefits.

<b>Investment risk</b>	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Since investment is with insurance company ( LIC ), assets are considered to be secured
<b>Interest risk</b>	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
<b>Longevity risk</b>	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
<b>Salary risk</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**The principal assumptions used for the purposes of the actuarial valuations were as follows.**

Particulars	Valuation as at	
	As at March 31, 2025	As at March 31, 2024
Discount rate (s)	6.72%	7.20%
Rate (s) of salary increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Expected Return on Plan Assets	6.72%	7.20%
Mortality rates* (During Employment)	Indian Assured Lives Mortality (2012-14) (urban)	Indian Assured Lives Mortality (2012-14) (urban)

**The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.**

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	(1,480.64)	(1,486.46)
Fair value of plan assets	958.73	655.62
Funded status	(521.91)	(830.84)
Restrictions on asset recognised		
<b>Net liability arising from defined benefit obligation</b>	<b>(521.91)</b>	<b>(830.84)</b>

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

Net Interest Cost for Current Period are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of Benefit Obligation at the Period	1,486.46	1,479.35
Fair value of plan assets at the Beginning of the Period	(655.62)	(783.02)
<b>Net Liability/(Assets) at the Beginning</b>	<b>830.84</b>	<b>696.33</b>
Interest Cost	107.03	110.06
(Interest Income)	(47.21)	(58.26)
<b>Net Interest Cost for Current Period</b>	<b>59.82</b>	<b>51.80</b>

Expenses Recognized in the Statement of Profit or Loss for Current Period are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Current Service Cost	31.37	31.43
Net Interest Cost	59.82	51.80
Past Service Cost	-	-
<b>Expenses Recognized</b>	<b>91.19</b>	<b>83.23</b>

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Actuarial (Gains)/Losses on Obligation For the Period	38.05	51.33
Return on Plan Assets, Excluding Interest Income	(25.69)	6.02
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>12.36</b>	<b>57.35</b>

Movements in the present value of the defined benefit obligation are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	1,486.46	1,479.35
Interest cost	107.03	110.06
Current service cost	31.37	31.43
Past Service Cost	-	-
<b>Remeasurement (gains)/losses :</b>	<b>-</b>	<b>-</b>
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	32.76	16.39
Actuarial gains and losses arising from experience adjustments	5.29	34.95
Benefits paid from the Fund	(182.27)	(185.72)
<b>Closing defined benefit obligation</b>	<b>1,480.64</b>	<b>1,486.46</b>

Movements in the fair value of the plan assets are as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Opening fair value of plan assets	655.62	783.02
Interest income	47.21	58.26
Return on plan assets (excluding amounts included in net interest expense)	25.69	(6.02)
Contributions from the employer	412.47	6.08
Benefits paid from the Fund	(182.27)	(185.72)
<b>Closing fair value of plan assets</b>	<b>958.72</b>	<b>655.62</b>



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

**Balance Sheet Reconciliation**

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Net Liability	830.84	696.33
Expenses Recognized in Statement of Profit or Loss	91.19	83.23
Expenses Recognized in OCI	12.36	57.36
Net Liability/(Asset) Transfer In	-	-
Net Liability/(Asset) Transfer Out	-	-
Net Effect of Changes in Foreign Exchange Rates (Benefit Paid Directly by the Employer)	-	-
Contributions from the employer	(412.47)	(6.08)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>521.92</b>	<b>830.84</b>

**Category of Assets**

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance Fund	958.73	655.62
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>958.73</b>	<b>655.62</b>

**Other Details**

Particulars	As at March 31, 2025	As at March 31, 2024
No. of Active Members	186	197
Per Month Salary For Active Members	151.98	152.56
Weighted Average Duration of the Projected Benefit Obligation	-	-
Average Expected Future Service	-	-
Projected Benefit Obligation (PBO)	1,480.64	1,486.46
Prescribed Contribution for Next Year (12 Months)	151.98	152.56

**Net Interest Cost for Next Year are as follows**

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of Benefit Obligation at the End of the Period	1,480.64	1,486.46
Fair value of plan assets at the End of the Period	(958.73)	(655.62)
Net Liability/(Assets) at the End of the Period	521.91	830.84
Interest cost	99.50	107.03
(Interest Income)	(64.43)	(47.21)
Net Interest Cost for Next Period	35.07	59.82

**Expenses Recognized in the Statement of Profit or Loss for Next Period are as follows**

Particulars	As at March 31, 2025	As at March 31, 2024
Current Service Cost	29.95	31.37
Net Interest Cost	35.07	59.82
<b>Expenses Recognized</b>	<b>65.02</b>	<b>91.19</b>

**Maturity Analysis of Projected Benefit Obligation : From the Fund**

Particulars	As at March 31, 2025	As at March 31, 2024
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	335.34	253.40
2nd Following Year	114.80	205.42
3rd Following Year	230.19	199.19
4th Following Year	147.01	215.96
5th Following Year	127.46	137.03
Sum of Years 6 to 10	565.77	557.44
Sum of Years 11 and above	711.06	731.85

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

**Sensitivity Analysis**

Particulars	As at March 31, 2025	As at March 31, 2024
Projected Benefits Obligation on Current Assumptions	1,480.64	1,486.46
Delta Effect of +1% Change in Rate of Discounting	(66.30)	(65.55)
Delta Effect of -1% Change in Rate of Discounting	74.39	73.25
Delta Effect of +1% Change in Rate of Salary Increase	38.67	38.91
Delta Effect of -1% Change in Rate of Salary Increase	(38.82)	(38.17)
Delta Effect of +1% Change in Rate of Employee Turnover	12.67	13.88
Delta Effect of -1% Change in Rate of Employee Increase	(14.05)	(15.30)

**32. Financial Instruments**

**32.1 Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**32.2 Categories of financial instruments and Fair Values**

A.) The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>	<b>22,249.95</b>	<b>22,249.95</b>	<b>16,593.50</b>	<b>16,593.50</b>
<b>Financial assets at amortised cost :</b>				
<b>Non Current</b>				
Trade receivables	116.17	116.17	102.92	102.92
Other Financial Assets	56.53	56.53	78.76	78.76
<b>Current</b>				
Trade receivables	17,048.04	17,048.04	15,180.16	15,180.16
Cash and cash equivalents	4,846.89	4,846.89	1,118.02	1,118.02
Other financial assets	182.32	182.32	113.64	113.64
<b>Financial liabilities</b>				
<b>Financial liabilities held at amortised cost :</b>	<b>19,018.96</b>	<b>19,018.96</b>	<b>14,797.38</b>	<b>14,797.38</b>
<b>Non Current</b>				
Trade Payables	16.60	16.60	48.52	48.52
Borrowings	-	-	-	-
<b>Current</b>				
Trade Payables	18,548.75	18,548.75	14,375.89	14,375.89
Others financial liabilities	453.61	453.61	372.97	372.97

The Company has disclosed financial instruments such as cash and cash equivalents, current trade receivables, current trade payables and other current financial assets/liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

## B.) FAIR VALUE HIERARCHY

Except for cash and cash equivalents, current trade receivables, current trade payables and other current financial assets/liabilities disclosed at carrying value, all other financial assets /liabilities are fair valued using level 3 hierarchy.

The fair values of the financial assets and financial liabilities included in the level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

### 32.3 Financial risk management objectives

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. Risk Management framework is constantly updated for new and emerging risks emanating from business expansion and interests. Risk Management framework of the company encompasses practices relating to identification, assessment, monitoring and mitigation of various risks to key business objective. Risk management practices of the company seek to sustain and enhance the long-term competitive advantage of the company. Core values and ethics of the company provide the platform for its risk management practices. This system provides a holistic view of the business, wherein risks are identified in a structured manner.

Risk Management aims to ensure timely and prudent decisions to:

- Maximise positive impacts of opportunities.
- Minimise negative impacts of risks.
- Convert risks into opportunities.

#### A.) Market risk management

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note **A(i)** below) and interest rates (see note **A(ii)** below).

There has been no change to the company's exposure to market risks or the manner in which these risks are managed and measured.

##### A.)(i) Foreign currency risk management

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue and imports of raw material and property, plant and equipment.

The Company is exposed to foreign exchange risk arising from various currency exposures like US Dollar and Euro.

As at 31st March, 2025, the foreign currency exposure to the Company on holding financial liabilities (trade payables) amounted to Rs. 18 Lakhs (March 31, 2024: Rs. 58 Lakhs) and financial assets (trade receivables) amounted to Rs 258 Lakhs (March 31, 2024: NIL).

##### A.)(i)(a) Foreign currency sensitivity analysis

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional Rs. 16.35 Lakhs gain in the Statement of Profit and Loss (2023-24: Rs. 327 Lakhs gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

##### A.)(ii) Interest rate risk management

There is no outstanding Credit balance of Cash Credit/Overdraft. Thus the Company has no exposure to changes in interest rates.

**Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)**

(All amounts Rs.in Lakhs, unless otherwise stated)

**B.) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties. The company mostly transacts with government entities reducing the risk of default on contractual obligations. The company's exposure is continuously monitored.

The credit limits are fixed in respect of individual customers that are approved by Head of Marketing Department . These limits are checked before orders are accepted from the customers. Also there is a system of periodic review of credit limits.

The Company's maximum exposure to credit risk as at 31st March, 2025 & 31st March, 2024 is the carrying value of each class of financial assets.

The company is making provisions on trade receivables based on Simplified Approach of Expected Credit Loss (ECL) model. The Company had followed the practice of creating the provision for doubtful debts @10% for outstanding of more than 3 years and upto 4 years, @20% for outstanding of more than 4 years and upto 5 years and @30% for outstanding of more than 5 years thereby totaling to Rs. 327.92 Lakhs. The above principle is based on the assumptions of prudence; consistency in recovery of debtors as per past trends where recovery has been delayed but debts has always remained good.

Particulars	2024-25	2023-24
<b>Opening Balance</b>	<b>2,529.74</b>	<b>2,428.81</b>
<b>Changes in loss allowance :</b>		
Additional Provision	319.63	100.93
<b>Closing Balance</b>	<b>2,849.37</b>	<b>2,529.74</b>

**C.) Liquidity risk management**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through fund based limit in Bank Accounts.

The following table shows the maturity analysis of the Company's financial liabilities based on estimated flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying Amount	Payable within 1 year	1-2 years	More than 2 years	Total
<b>As at March 31, 2025</b>					
Trade Payables*	18,565.35	7,323.19	921.47	10,320.69	18,565.35
Other financial Liabilities	453.61	453.61	-	-	453.61
<b>Total</b>	<b>19,018.96</b>	<b>7,776.80</b>	<b>921.47</b>	<b>10,320.69</b>	<b>19,018.96</b>
<b>As at March 31, 2024</b>					
Trade Payables*	14,424.41	3,984.94	372.06	10,067.41	14,424.41
Other financial Liabilities	372.97	372.97	-	-	372.97
<b>Total</b>	<b>14,797.38</b>	<b>4,357.91</b>	<b>372.06</b>	<b>10,067.41</b>	<b>14,797.38</b>

\* Trade Payable includes Rs. 10661.54 Lakhs as at March 31, 2025 (Rs. 9593.19 Lakhs as at March 31, 2024) which is payable to the contractor only when the payment is received from customer.



Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

(All amounts Rs.in Lakhs, unless otherwise stated)

**33. Related Party Disclosures**

**(a) Name of the Related Parties and Description of Relationship:**

**As at March 31, 2025**

Nature of Relationship	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO	RIICO
Key Management Personnel	Shri P. N. Sharma	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

**As at March 31, 2024**

	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO	RIICO
Key Management Personnel	Shri Rakesh Chopra	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

**33 (b) Transactions/ balances with above mentioned related parties (mentioned in note 33(a) above)**

**As at Mar 31, 2025**

Particulars	GOI	RIICO	MD	CFO	CS	Total
<b>Balance</b>						
Trade Receivable	1,284.85	984.30	-	-	-	<b>2,269.15</b>
Security Deposit	-	0.40	-	-	-	<b>0.40</b>
Trade Payable	-	-	-	-	-	-
Advances Received	-	-	-	-	-	-
<b>Transactions</b>	-	-	-	-	-	-
Sale of Services under Drone Project	-	576.85	-	-	-	<b>576.85</b>
Remuneration	-	-	74.43	47.58	18.28	<b>140.29</b>
a) Short Term Employee Benefits	-	-	70.58	44.21	15.90	<b>130.69</b>
b) Post Employment Benefits	-	-	-	-	-	-
c) Other Long Term Benefits	-	-	3.85	3.37	2.38	<b>9.60</b>
d) Termination Benefits	-	-	-	-	-	-
e) Share Based Payments	-	-	-	-	-	-
Sale of Assets	-	-	1.85	-	-	<b>1.85</b>

**As at Mar 31, 2024**

Particulars	GOI	RIICO	MD	CFO	CS	Total
<b>Balance</b>						
Trade Receivable	1,284.85	793.89	-	-	-	<b>2,078.74</b>
Security Deposit	-	0.40	-	-	-	<b>0.40</b>
Trade Payable	-	-	-	-	-	-
Advances Received	-	42.39	-	-	-	<b>42.39</b>
<b>Transactions</b>	-	-	-	-	-	-
Sale of Services under Drone Project	-	1,116.62	-	-	-	<b>1,116.62</b>
Remuneration	-	-	49.77	44.26	16.95	<b>110.98</b>
a) Short Term Employee Benefits	-	-	46.67	39.99	15.35	<b>102.01</b>
b) Post Employment Benefits	-	-	-	-	-	-
c) Other Long Term Benefits	-	-	3.10	4.27	1.60	<b>8.97</b>
d) Termination Benefits	-	-	-	-	-	-
e) Share Based Payments	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-

**Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)**

(All amounts Rs.in Lakhs, unless otherwise stated)

**34. Segment Reporting**

In Compliance of Ind AS 108 on “Segment Reporting”, the required information is as under:

Business Segments: - The Company has adopted following business segments as its reportable segment.

1. Renewable Energy
2. Electronic

Geographical Segment has been considered for secondary Segments Reporting by treating sales revenue in India and foreign countries as separate geographical segments.

**(I) Primary - Business Segments :**

Particulars	Renewable Energy		Electronic		Total	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>Revenue</b>						
External	8,895.29	10,492.30	6,853.49	8,095.70	15,748.78	18,588.00
Inter-Segment	-	-	-	-	-	-
<b>Segment Revenue</b>	<b>8,895.29</b>	<b>10,492.30</b>	<b>6,853.49</b>	<b>8,095.70</b>	<b>15,748.78</b>	<b>18,588.00</b>
Total Revenue						
<b>Segment results</b>	<b>346.82</b>	<b>1,125.51</b>	<b>(1,632.73)</b>	<b>(711.76)</b>	<b>(1,285.91)</b>	<b>413.75</b>
Interest income (+)					92.27	106.45
Interest expenditure (-)					30.35	83.32
Tax Expense (-)					328.56	120.74
Net Profit / (Loss)					<b>(895.43)</b>	<b>316.14</b>

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>Segment assets</b>	<b>11,987.77</b>	<b>16,902.33</b>	<b>9,305.71</b>	<b>4,953.20</b>	<b>21,293.48</b>	<b>21,855.53</b>
Unallocated Assets					8,582.45	2,937.09
Total assets					<b>29,875.93</b>	<b>24,792.62</b>
<b>Segment liabilities</b>	<b>11,653.60</b>	<b>11,366.27</b>	<b>11,033.86</b>	<b>4,165.11</b>	<b>22,687.46</b>	<b>15,531.38</b>
Unallocated Liabilities					7,188.47	9,261.24
<b>Total liabilities</b>					<b>29,875.93</b>	<b>24,792.62</b>

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>Capital Expenditure for the year</b>	-	-	7.43	16.72	7.43	16.72
<b>Depreciation for the year</b>	140.59	142.06	53.96	48.98	194.55	191.04

**(II) Secondary - Geographical Segments :**

Particulars	India		Outside India	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	14,111.20	12,033.12	1,637.58	6,554.88
Carrying Amount of Segment Assets	21,293.48	21,855.53	-	-
Capital Expenditure/Additions to Fixed Assets	7.43	16.72	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)

35. Other notes annexed to and forming parts of the accounts for the year ended March 31, 2025

A. CIF value of imports

(All amounts Rs.in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Raw material & Components	332.27	357.26
<b>Total</b>	<b>332.27</b>	<b>357.26</b>

B. Expenditure in foreign currency

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Royalty	112.18	28.78
Travelling Expenses	-	1.60
<b>Total</b>	<b>112.18</b>	<b>30.38</b>

C. Earning in foreign exchange on FOB value

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Export Sales	1,637.58	6,554.88
<b>Total</b>	<b>1,637.58</b>	<b>6,554.88</b>

D.(i) Corporate Social Responsibility (2024-25)

- Gross amount required to be spent by the Company during the year - Rs. Nil
- Amount spent during the year ;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction / Acquisition of any asset	-	-	-
On purpose other than above	-	-	-

D.(ii) Corporate Social Responsibility (2023-24)

- Gross amount required to be spent by the Company during the year - Rs. Nil
- Amount spent during the year ;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction / Acquisition of any asset	-	-	-
On purpose other than above	-	-	-

E. Expenditure on Research and Development

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	228.46	336.09
Capital	-	-
<b>Total</b>	<b>228.46</b>	<b>336.09</b>

F. Disclosures under Section 22 of the MICRO, SMALL & MEDIUM Enterprises

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) The Principal amount remaining unpaid to supplier as at the end of accounting year.*	2,193.76	2,214.10
ii) The interest due thereon remaining unpaid to supplier as at the end of accounting year.	3.92	-
iii) The amount of interest paid in terms of section 16, alongwith the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
v) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-
<b>Total</b>	<b>2,197.68</b>	<b>2,214.10</b>

\* Mainly comprising of outstanding which is not payable due to contractual terms and conditions.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

**Notes forming part of the Financial Statements for the year ended March 31, 2025 ( Contd.)**

(All amounts Rs.in Lakhs, unless otherwise stated)

**G. Provision(s)/Adjustment(s) has not been made in the accounts for :**

- (a) Additional liabilities, if any, in respect of pending Indirect taxes and Income-tax assessment, being unascertained and liabilities which may arise in future due to mismatching of input tax credit.
- (b) Claims pending for settlement in court of law, being unascertained.

**H.** Expenditure on Technical Literature, Software, Electronic Media Stores, Maintenance, Printing & Stationery and Consumable stores are charged to profit & loss account treating them as consumed in the year of purchases.

**I.** Sales does not include sales of spares for which service job reports from field has been received after closing of the financial year.

**J.** Previous years comparative figures have been regrouped wherever necessary.

**36. Additional Regulatory Information in terms of MCA notification dated 24/03/2021 :**

**36.1 Title deeds of immovable property not held in name of company-Under Property, Plant and Equipment**

There is no such case where the company does not hold immovable property in its own name, hence no disclosure required.

**36.2 Disclosure regarding fair value of Investment Property**

The company does not hold any investment property in its books, hence no disclosure required.

**36.3 Disclosure in case of Revaluation of property, plant and equipment**

During the year the company has not revalued any of its property, plant and equipment, hence no disclosure is required.

**36.4 Disclosure in relation to Revaluation of Intangible Assets.**

During the year the company has not revalued any of its intangible assets, hence no disclosure is required.

**36.5 Disclosure in relation to Loans and advances to promoters, directors, key managerial persons (KMP) & related parties.**

The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

**36.6 Disclosure in relation to Capital Work in Progress.**

There is no capital work in progress as on balance sheet date.

**36.7 Disclosure in relation to Intangible asset under development.**

The company does not have any intangible assets under development.

**36.8 Disclosure in relation to Benami property held**

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**36.9 Disclosure in relation to borrowings from banks on the basis of security of current assets:**

Company is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts. Variations not material hence reasons not mentioned.

Quarter	Securities Provided	Amount as per books	Amount as reported in Quarterly Statement	Amount of Difference (Excess stated in Qtrly St.)
I	Inventories & Book Debts			
(30th June)	- Inventories	1778.05	1778.00	0.05
	- Book Debts	11266.30	11266.00	0.30
II	Inventories & Book Debts			
(30th Sept.)	- Inventories	1644.50	1644.00	0.50
	- Book Debts	12333.62	12333.00	0.62
III	Inventories & Book Debts			
(31st Dec.)	- Inventories	1561.98	1562.00	-0.02
	- Book Debts	13152.46	13152.00	0.46
IV	Inventories & Book Debts			
(31st Mar.)	- Inventories	1838.60	1838.60	0.00
	- Book Debts	14535.14	14535.00	0.14

36.10 Disclosure regarding Wilful Defaulter

The company has not been categorized as a wilful defaulter by any bank or financial institution during the year.

36.11 Relationship with Struck off Companies-General disclosure

The company has no transaction with companies struck off under section 248 of the Act, or under section 560 of the companies Act, 1956.

36.12 Disclosure regarding delay in registration of charges or satisfaction with ROC

There is no charge or satisfaction yet to be registered with ROC beyond statutory period.

36.13 Disclosure regarding Compliance with no. of layers of companies

This clause is not applicable to the company.

36.14 Disclosure of Ratios :-

S.No.	Particulars	Numerator	Denominator	Year ended March 31, 2025	Year ended March 31, 2024	Variance	Reasons for Variance
(a)	Current Ratio	Current Assets	Current Liabilities	1.04	1.12	-7.14%	NA
(b)	Debt-Equity Ratio	Long Term Debt	Shareholder's Fund + Long Term Debt	-	-	-	NA
(c)	Debt Service Coverage Ratio	EBDITA	INT+PRINCIPAL Interest means only term loan interest not WC Interest	-	-	-	NA
(d)	Return on Equity Ratio	Net Earnings after Tax	Shareholder's Equity	-15.82%	4.82%	-428.22%	Incurred loss during the year
(e)	Inventory Turnover Ratio	Cost of Sales	Average Stock	4.90	5.16	-5.03%	NA
(f)	Trade Receivables Turnover Ratio	Credit Sales	Accounts Receivable	0.92	1.22	-24.59%	NA
(g)	Trade Payables Turnover Ratio	Credit Purchases	Accounts Payable	0.47	0.70	-32.86%	Payable as per Contractual terms
(h)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	15.53	8.59	80.79%	Due to reduction in turnover
(i)	Net Profit Ratio	Net Profit after Tax	Revenue from Operation	-5.69%	1.70%	-434.71%	Incurred loss during the year
(j)	Return on Capital employed	Earnings before Interest, Tax & Prior Period Item	Capital Employed	-21.10%	7.93%	-366.08%	
(k)	Return on Investment	Net Profit after Interest, Taxes & Preference Dividends	Equity Share Capital plus Reserves	-15.83%	4.82%	428.42%	

36.15 Disclosure regarding compliance with approved scheme of arrangements

There is no scheme of arrangement approved in terms of section 230 to 237 of Companies Act, 2013.

36.16. Disclosure regarding Utilisation of borrowed funds and share premium.

The company has neither advanced any fund to intermediaries nor has received any fund with the understanding that intermediary or company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company/funding agency or provide any guarantee thereof.

See accompanying notes to the Financial Statements ( 1-36 )

As per our separate report of even date

For and on behalf of the Board of Directors

For G. K. Mittal & Associates

Chartered Accountants  
(FRN. 005842C)

Sd/-  
(Jogendra Singh Shekhawat)  
Partner  
Membership No. 079348

Place : Jaipur  
Date : 18.07.2025  
UDIN : 25079348BMOU2Y2665

Sd/-  
(Dinesh Kumar Pahadia )  
Director  
DIN : 08925960

Sd/-  
( Amit Kumar Jain )  
Company Secretary

Sd/-  
( Brijesh Dixit )  
Managing Director  
DIN : 11086971

Sd/-  
( Subhash Agrawal )  
Chief Financial Officer