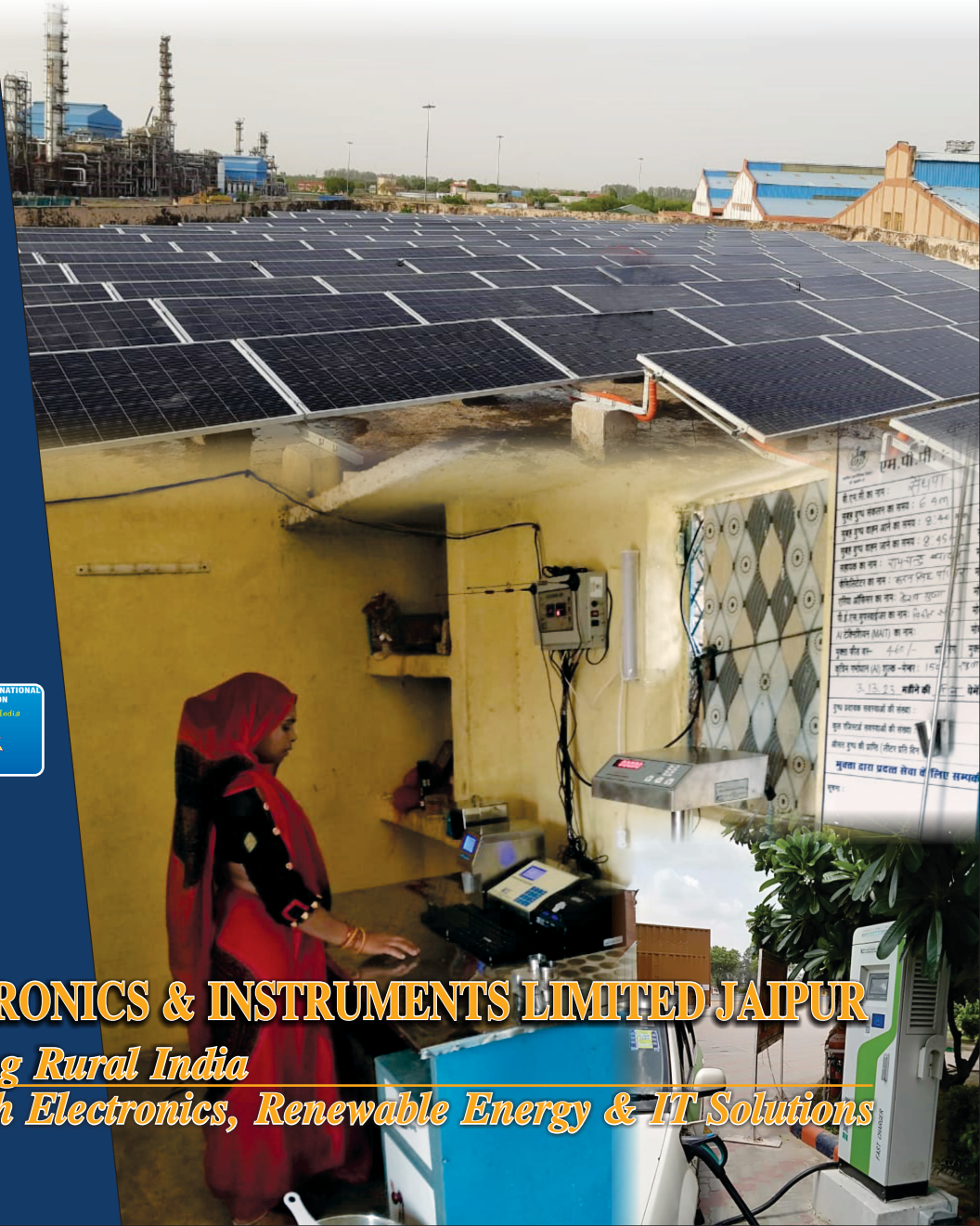




40th Annual Report 2021-2022



RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED JAIPUR

REIL *Shaping Rural India
through Electronics, Renewable Energy & IT Solutions*

RAJASTHAN ELECTRONICS AND INSTRUMENTS LTD., JAIPUR

FIGURES AT A GLANCE

(Rs. in Lakhs)

PARTICULARS	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
OVERVIEW OF PROFIT					
HOW EARNED					
Sales Revenue	24287.72	26931.33	11091.30	14744.20	16490.59
Other Income	192.23	197.31	120.78	122.13	170.56
Total Turnover	24479.95	27128.64	11212.08	14866.33	16661.15
HOW SPENT/RETAINED					
Material Cost	15280.36	17103.47	6112.10	8235.23	10367.45
Employment Cost	3351.75	3436.40	3528.35	3531.69	3418.63
Excise Duty	31.63	0.00	0.00	0.00	0.00
Other Expenses	4898.15	4856.70	4193.07	4420.52	3373.85
Depreciation	188.13	188.13	183.27	436.08	189.31
Finance Costs	107.48	108.07	132.04	147.76	60.76
	23857.50	25692.77	14148.83	16771.28	17410.00
Net Profit/(Loss) before Tax	622.45	1435.87	(2936.75)	(1904.95)	(748.85)
Profit/(Loss) after tax	401.65	1027.90	(1706.63)	(1277.73)	(846.24)
Dividend (including tax)	295.00	295.00	-	-	-
WHAT WE OWN					
Fixed Assets					
Gross Block	4531.74	5127.79	5711.81	5562.30	5454.44
Less : Acumulated Depreciation	1656.59	1843.74	2023.05	2305.41	2390.27
Net Block	2875.15	3284.05	3688.76	3256.89	3064.17
Current, non-current Assets, and Deferred tax Assets	27290.81	31894.06	23764.04	24007.13	22596.78
	30165.96	35178.11	27452.80	27264.02	25660.95
Less : Deferred tax, Current and non-current Liabilities & Provision	19022.33	23490.72	17999.12	19155.30	18366.56
Capital employed	11143.63	11687.39	9453.68	8108.72	7294.39
REPRESENTED BY					
Share Capital	1225.00	1225.00	1225.00	1225.00	1225.00
Reserves & Surplus	9710.53	10278.42	8168.15	6883.72	6069.39
Net Worth	10935.53	11503.42	9393.15	8108.72	7294.39
Secured/Unsecured Loan	208.10	183.97	60.53	0.00	0.00
	11143.63	11687.39	9453.68	8108.72	7294.39

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Board of Directors

Chairman & Director	:	Shri Shivprasad Madan Nakate
Managing Director	:	Shri Rakesh Chopra
Directors	:	Dr. Renuka Mishra Shri Manish Shukla Shri Nirmal Kumar Jain Shri Dinesh Kumar Sharma
Auditors	:	M/s Y. Chaturvedi & Co., 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

CHAIRMAN'S STATEMENT

Dear Shareholders,

It is an honour and a privilege to present the 40th Annual Report of the Company to our valued shareholders the performance highlights and achievements of your Company during the FY 2021-22 and its future outlook.

The past year has been challenging, with the first quarter severely impacted by the devastating second wave of COVID-19 affecting operations of manufacturing across the country. The pandemic followed by the ongoing war have both been emotional and economic dampeners that have divided the world and contributed to inflationary pressures and rising commodity prices. However, sustained demand during the year from both private and government sectors as well as improved industrial production activity has helped economic recovery with India's GDP growing by 8.7% during FY 2021-22—the highest amongst the major economies of the world. In spite of the headwinds, India is well-poised for steady progress and is increasingly making rapid strides with numerous global names considering our nation as a worthy manufacturing contender as opposed to China.

During the financial year 2021-22, there were considerable challenges in the changing business environment we operate. Despite these challenges, your Company has achieved growth in turnover as against previous year.

In this emerging situation, cost competitiveness with timely and high quality delivery/ execution will be the key to survival in the short and medium term, while the company's engineering and technological prowess will be the key differentiators for long term sustainable growth.

The recent geopolitical events and supply chain disruptions have brought into sharp focus the need for self-reliance as well as need to swiftly set up an ecosystem for indigenous

design, development and manufacturing of a wide range of equipment/ systems to meet national requirements. The Aatma Nirbhar Bharat initiative of Government of India, with focus on Making in India for India as well as Making in India for the World, is providing huge opportunities to Indian manufacturing industry, especially in critical sectors like Energy, Defence, Aerospace, Transportation, etc.

HIGHLIGHTS OF THE YEAR

Your Company achieved a turnover of Rs. 164.90 Crore during 2021-22 against Rs. 147.44 Crore in 2020-21, thereby registering a growth of 12%.

The Company has incurred a loss of Rs. 8.46 Crore as against a loss of Rs. 12.78 Crore in previous year mainly due to low revenue generation due to delay in supply and execution of EV charger project and delay in production due to non-availability of ICs and semiconductors etc. However, stringent budgetary control measures and prudent provisioning has helped in restricting the loss.

Sustainability remains one of the key pillars of our business and we at REIL have been challenging ourselves every day with new targets to better our sustainability performances. We are tirelessly working to make our business model sustainable throughout the entire value chain and we have ensured that our sustainability priorities cover varying geographical, economic and social contexts.

The Company provides technology solutions for qualitative & quantitative analysis of milk across all verticals of Dairy Industry sector through its milk analysis and automation solution; addresses needs of the rural and related urban sector through Solar Photo Voltaic; and Information

Technology & security surveillance applications for e-governance, dairy vertical, small business and Government sectors. Its products particularly impact the sectors of rural development, women empowerment, energy, power, and rural welfare, and contribute to the social and economic welfare of the rural masses. The recent addition is to set-up EV Charging infrastructure to promote e-mobility under FAME Scheme of Gol.

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 the farmer's income, FAME India Scheme and Smart City Mission. REIL has strived for Digital Transformation of the Company through Security & Surveillance, Digital India, Automation, e-Governance, Paperless Office, Industrial IOT and Clouds etc.

The company's Strategic Plan 2021-24 therefore focuses, in the short term, on turning the company around through initiatives and enablers for timely, cost effective and quality project execution as well as creating an order book pipeline by enhancing its market share in traditional business, while intensifying diversification initiatives to create a foothold in new businesses and, in the long term, building capabilities.

In Renewable Energy Sector, your Company has executed projects under various departments & schemes i.e. Smart City Mission, JKEDA KUSUM Scheme, GAIL Project, CSR Projects, Forest Department, Various Plant Nurseries, DIET, University, National Gandhi Museum, and RSTB etc.

The Company was awarded "8th Governance Now "Best PSU Award in Research & Innovation Category".

The Company takes proactive steps to ensure sound corporate governance and is committed to ethical corporate practices based on conscience, transparency, fairness,

professionalism and accountability. The Company is committed to sustainable wealth creation for all its stakeholders by adopting best practices. Transparency, accountability, fairness and extensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance-oriented systems.

I would like to convey my appreciation to my colleagues on the Board for their invaluable contribution in strengthening the Company. I express my sincere thanks to investors, shareholders, employees, and customers for their unstinted support. Your Company values your trust and confidence and shall continue to work tirelessly to take it forward. I would like to thank various Ministries of the Government of India, particularly the Ministry of Heavy Industries and State Government of Rajasthan for their continuous guidance and support in our efforts.

With best wishes,

Date : 15.12.2022

Place : Jaipur

Sd/-

CHAIRMAN

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 40th Annual Report on the business and operations of the Company together with the audited Financial Statements for the financial year ended March 31, 2022.

During the year the Company has achieved turnover of Rs. 16661 Lakhs i.e. an increase of 12% over previous F.Y. 2020-21. The Company has incurred a loss of Rs. 846 Lakhs as against a loss of Rs. 1278 Lakhs in previous year.

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 energy needs of the rural sector through Solar Photo Voltaic, Milk testing and quality related needs of the milk co-operative and dairy industry sector through its ON/AT line milk analysis and automation solution and Information Technology & Communication applications for e-governance, dairy vertical, small business and Government sectors.

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 the farmer's income, FAME India Scheme and Smart City Mission. REIL has strived for Digital Transformation of the Company through Security & Surveillance, Digital India, Automation, e-Governance, Paperless Office, Industrial IOT and Clouds etc.

FINANCIAL PERFORMANCE

The Company's financial highlights are as provided below :

(₹ in Lakh)

S.No.	PARTICULARS	2021-22	2020-21
1.	Turnover & Other Income	16661	14866
2.	Material Cost	10367	8235
3.	Employment Cost	3419	3532
4.	Other Revenue Expenses	3374	4421
5.	Gross Margin (PBDIT)	(499)	(1321)
6.	Profit Before Tax (PBT)	(749)	(1905)
7.	Net Worth	7294	8109

STATUS OF COMPANY'S AFFAIRS

REIL tends to understand customer's needs and bring them ease by doing innovation in the current solutions and adding more features persistently. For the first time ever, REIL is to deploy Cloud based Online Milk Procurement Solution / program for DCS & BMC Center (Real time) along with SMS/Mobile Application with 5-year maintenance as per billing process of average milk collection per month. This system will upgrade & connect approximately 800 Nos. of DCS/MCC online and will provide Real time milk collection data. Such initiatives definitely will lead to great transparency for farmers and big boom in future business volume while aligning with the Digital India Mission.

Innovation is a continuous journey and we have been focusing on it on regular basis. With all-out-efforts the Company has launched upgraded version of Milk Adulteration Tester- EMAT+ (Buffer Less). This EMAT with Analyzer (EMAT+) is an ideal low cost solution for accurate analysis of milk parameters and to discriminate between genuine and spurious milk. The Company received orders of 53 Nos of Electronic Milk Adulteration Tester with Milk Analyzer (Buffer less) from M/s. Raipur Dairy of Central Region.

The Company recently got associated with Thermo Fisher Scientific as "Authorized Distributor" for their Molecular Spectroscopy Division for PAN India Dairy customer in order to meet out the market demand for Hi-end equipment for Dairy, Milk Powder & Cattle feed plants. The machine is capable for testing of Milk Powder, Cattle feed and Milk Products such as Cheese, Butter, Paneer, Chocolates, Sweets, Bread, Cookies, Cream, Yoghurts, etc. and many other calibratable semi solid which makes this machine excellent for use at Dairy plant labs. An order for this Analyzer has been received from Banaskantha DCMPU Limited of Gujarat Region. After a long gap of 10 years, the Company started working in High End Equipments.

The Company has received prestigious order for supply, installation and commissioning of 626 nos. Automatic Milk Collection Unit (AMCUs) from Baurani Dairy under COMFED, Patna.

For Solarization initiatives in Dairy, REIL is incessantly working and received order for three numbers of Solar Power Plants ranging from 5kWp to 10kWp from Rajasthan & Northern region.

Under allocation received from RREC under “Roof Top Solar Power Generation Scheme 2019-20” in Rajasthan under CFA scheme for Residential Sector, REIL has successfully executed 160 kWp Solar Power Plant at 26 Nos. households in Rajasthan. The Company also received an allocation of 3000 kWp Roof Top Grid Connected Solar Power Plant in Rajasthan under the scheme.

As a nodal agency for Smart city Jaipur, the Company has successfully installed & commissioned 50 kWp Grid Connected SPV Power Plant at Maharani College, Jaipur and installed 275 kWp Grid Connected SPV Power Plant at Jaipuria Hospital, Jaipur under Smart City Mission.

Under KUSUM Scheme, REIL received an order from JKEDA for execution of cumulative 100 Nos. of 5 HP, 7.5 HP & 10 HP SPV Water Pumping Systems in J&K. REIL is the first organization to install the SPV Water Pumping System in state of J&K at Village Barnotidist Sambha, just 2kms from LoC.

During the year, REIL has executed projects under various departments & schemes i.e. Smart City Mission, JKEDA KUSUM Scheme, GAIL Project, CSR Projects, Forest Department, Various Plant Nurseries, DIET, University, National Gandhi Museum, and RSTB etc.

Under FAME-II Scheme against the project of installation of 1061 EV Charging stations across 45 cities, Letter of Award (LoA) for 70 nos. of EV Charging stations was received for the cities of Coimbatore- 25 Nos., Erode- 10 Nos., Vellore-10 Nos. and Madurai 25 Nos. and got another LoA for the deployment of 286 nos. of EV charging stations on 4 nos. of Highways & 1 no. Expressway.

The Company has successfully executed the order received from NATRiP for Design, Development, Supply, Installation, Integration with third party software & hardware API's, Testing, Training, Implementation of Proving Ground Management System (PGMS) and Software Solution for testing tracks for all categories of vehicles, systems and components at NATRAX, Indore, Madhya Pradesh.

Your Company continues with its task to build business with long term goals based on intrinsic strength in terms of its powerful brands, quality manufacturing process, excellent after-sales-service 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. 2021-22, 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, 2022.

TRANSFER FROM GENERAL RESERVES

It is proposed to transfer Rs. 850 Lakhs from General Reserve of the Company to retained earnings for the year 2021-22.

CREDIT RATING

The Company has obtained its credit ratings from CARE. It has been given a rating 'CARE BBB-' by CARE for its long-term bank facilities. Similarly, for its short-term bank facilities the Company has been assigned 'CARE A3' 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, Smt. Archana Singh, IAS, Managing Director, Rajasthan State Industrial Development and Investment Corporation Limited (RIICO), has been appointed as Chairman & Director w.e.f. 19.01.2022.

Shri Ashutosh A.T. Pednekar, IAS, Managing Director, RIICO, ceased to be Chairman & Director of the Company w.e.f. 19.01.2022.

Shri Dinesh Kumar Sharma, Ex-CGM (RIICO) has been appointed as Non-Official, Independent Director of the Company w.e.f. 14.02.2022.

Shri M.L. Bhargava, Non-Official, Independent Director of

the Company, ceased to be Independent Director of the Company w.e.f. 31.08.2022 consequent upon his resignation.

The Board of Directors places on record the deep appreciation of the valuable services rendered as well as advice and guidance provided by Shri Ashutosh A.T. Pednekar and Shri M.L. Bhargava, 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 Rakesh Chopra, 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.

- “8th Governance Now “Best PSU Award in Research & Innovation Category”.
- "Best Employer Award-2021" by the Employers Association of Rajasthan for the 12th time.
- Conference on Rajasthan - Destination Renewable Energy Equipment manufacturing organized by CII, RIICO and RRECL on 27.04.2021.
- Conference on "Accelerating Electric Vehicle Adoption in Rajasthan" on a virtual platform on 01.10.2021.
- Participation in National Productivity Week, organized by National Productivity Council Jaipur from 12th Feb-18th Feb 2022 with the theme “Self-Reliance through Productivity”.
- “Building Strategic Roadmap for EV charging infrastructure by Private-Public Partnerships” organized by Economics Times on a virtual platform on 18.02.2022.

- Awareness Programme on MSME under Azadi Ka Amrit Mahotsav organized by MSME-Development Institute, Jaipur, Govt of India, Ministry of MSME on 16.03.2022
- Participation in Vendor Development Awareness Program organized by National Small Industries Corporation Limited and DICCI at Jodhpur on 28.03.2022.

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.

PRODUCTION

The Company has produced 11957 Nos. of Electronic Milk Analysers as compared to previous year 9095 Nos. and 12.94 MW of Solar Photovoltaic Modules as compared to the previous year of 15.65 MW.

DEVELOPMENT OF SUPPORT UNITS & MSMEs

REIL as a policy puts emphasis on development of support industries and is in close interactions with support them for their technology up-gradation, which in turn helps in their quality improvement and volume production. REIL is 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 MSME from time to time. Procurement from MSMEs during 2021-2022 was of Rs. 3079.83 Lakhs. The Company has procured approximately 19.30% of total procurement of good & services through GeM portal during the previous year.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, 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

The Company is an Electronic Manufacturing Unit with environment friendly processes. Being in Renewable Energy sector, 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 & fuels inputs. Some energy conservation measures taken during the year include :

- Awareness generation amongst employees about the necessity of energy conservation.;
- Identification of potential to reduce use of energy, arresting leakages, use of alternate sources of energy, identifying wasteful use of energy and plugging them and use of energy measurement system.

B. Technology Absorption and Research & Development

In today's competitive business environment, it is important to offer new products & systems with latest technological features. REIL is aligning its R&D framework and business strategy to provide reliable products which are not only cost-competitive but also have an edge in efficiency and performance. In-house Research and Development is extremely important for self-sustenance and growth in today's challenging environment. The Company's R&D activities achieve the corporate mission of meeting existing & emerging needs of Customers and serve them through development/marketing and delivery of Quality Products and dependable after sales service by designing and developing new products & processes.

Major activities undertaken by R&D includes:

a) Advanced DPU - Bluetooth Interface

R&D developed Advance DPU with Bluetooth communication between ADPU and peripheral devices to remove physical cable connection. The problem of communication break reported from the field between the ADPU and peripheral devices due to Bluetooth modules. The new development of the Bluetooth module based on mesh network NRF-BLE technology was planned in order to remove above problems and developed through the third party. After complete and successful implementation in the ADPU, the product has been released.

b) Development of Oxygen Concentrator:

Oxygen concentrator is a medical device which is used to supply oxygen to people who are suffering from COPD, Asthma, Emphysema, cystic fibrosis, Covid-19. This product is a great Solution to provide oxygen to up to 5 people simultaneously in the hospital with oxygen flow rate up to 20-25 LPM with 92-96 % concentration. A prototype of the oxygen concentrator has been developed at the REIL R&D level with the help of the technology used by the TCE (Tata Consulting Engineers). REIL also signed an agreement with the ISRO for the technology transfer of the oxygen concentrator. REIL has been awarded as the semi-finalist for the development of an oxygen concentrator by SKOCH.

Product up gradation

1. Advanced DPU - Wi-Fi Module upgradation;
2. BMC Data Logger - Cost optimization - Alternate sources/ Design upgradations
3. BMC Data Logger - Software - Email/SMS support.

Trial Production/ Initial Production

1. Bufferless EMAT;
2. EMA-WCS (EMA without Calibration with Plunger/ Syringe);
3. EMA-Sensors.

ENGINEERING & DOCUMENTATION

The product documentation plays a critical role in ensuring consistency in manufacturing and operation. The R&D center manages the Document Archive and extends support to various divisions on a need basis. Besides above, Engineering activities like re-engineering, cost optimization through development of alternate sources, safeguarding the intellectual property of the company etc are also undertaken by the R&D Center. The 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	0.00
(b) Revenue	379.00
(c) Total	<u>379.00</u>
(d) Total R&D expenditure, as a percentage of total turnover, stood at 2.27%	

Foreign Exchange Earnings and Outgoings

During the year the Company has earned a sum of Rs. 3 Lakhs in foreign currency. The Company has also used total foreign exchange worth of Rs. 325 Lakhs.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2021-22

REIL functions within a sound framework of Corporate Governance which underlines its commitment to quality of governance, transparency in disclosures, consistent stakeholders' value enhancement and corporate social responsibility. REIL's corporate governance framework rests upon the cornerstones of transparency, full disclosure, independent monitoring and fairness to all.

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

- ❖ 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 each of 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 & Electric Mobility and in related areas of Information Technology applications & Skill Development.” and “To Put in efforts to meet the existing & emerging needs of customers and serve them through development/ marketing 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 March, 2022, there were 6 Directors on the Board comprising of one Managing Director and five Non-Executive Directors (including two Independent Directors). During the year, four Board Meetings were held on 31st August, 2021, 21st October, 2021, 27th December, 2021 and 22nd March, 2022 respectively.

The details of composition of the Board as at 31.03.2022, 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 27.12.2021	No. of Directorships in other Public Companies	No of Committee positions held in Public Companies	
					Member	Chairman
Smt. Archana Singh	Chairman (Part Time) (w.e.f. 19.01.2021)	1	N.A.	12	--	--
Shri Ashutosh A.T. Pednekar	Chairman (Part Time) (up to 19.01.2021)	4	Present	NIL	--	--
Shri Rakesh Chopra	Managing Director	4	Present	NIL	--	--
Shri Ashok Pathak	Director (Part time)	4	Present	NIL	--	--
Smt. Nidhi Chhibber	Director (Part time) (w.e.f. 15.06.2021)	4	Present	5	--	--
Smt. Sujata Sharma	Director (Part time) (w.e.f. 15.06.2021)	N.A.	N.A.	NIL	--	--
Shri M. L. Bhargava	Independent Director (upto 31.08.2021)	1	N.A.	1	--	--
Shri Nirmal Kumar Jain	Independent Director	4	Present	NIL	--	--
Shri Dinesh Kumar Sharma	Independent Director (w.e.f. 14.02.2022)	1	N.A.	NIL	--	--

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 meets at regular intervals to discuss and decide on business strategies/policies and review performance of the Company. The Company also offers video conferencing facility to the Directors to enable them to participate as provided under law.

c) Board's Responsibilities:

The Board's mandate is to oversee the Company's strategic direction, review and monitor corporate performance, ensure regulatory compliance and safeguard interests of the shareholders.

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 31st March, 2021, three Audit Committee Meetings were held on 31st August, 2021, 21st October, 2021, and 22nd March, 2022 respectively. The composition of the Audit Committee and attendance of Directors are given below :

Name of Director	Category	No. of Audit Committee meetings attended
Shri M.L. Bhargava	Chairman	1
Shri N. K. Jain	Chairman	2
Shri Rakesh Chopra	Managing Director	3
Shri Ashok Pathak	Director (Part Time)	3
Shri N. K. Jain	Independent Director	1

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. Review 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. Reviewing, with the management, the quarterly financial statements and auditor's report thereon before submission to the board for approval;

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 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 :

Human Resource policies and processes of the Company have transformed and evolved over the years in order to stay relevant to the changing environment, enhancement of organizational agility and ensure compliance with the changing rules and regulations from time to time.

At the close of financial year 2021-22 the total number of employees on permanent rolls of the company is 227.

Promotion of Hindi Language

The Company is continuously making vigorous efforts for the propagation and successful implementation of the Official Language Policy. The Official Language Implementation Committee regularly monitors and reviews the progress. To inculcate the knowledge of official language, training programme on Hindi Typing has been designed and implemented. Various competitions, prizes and incentives were declared by the Company for promoting the use of Hindi language in "Hindi Pakhwada". Employees from non-Hindi speaking areas are also motivated for the same. The Company has actively participated in the various activities being organized by NARAKAS, Jaipur during the year 2021-22. In addition to it, the Nagar Rajbhasha Karyanvayan Samiti (Upkram), Jaipur has been awarded the first prize in the category of 'A' region by department of Official Language, Ministry of Home Affairs, Government of India

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. The Company undertakes a number of CSR projects every year in accordance with Schedule VII of The Companies Act, 2013. For the financial year 2021-22 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.

Right To Information Act, 2005

The Company has complied with the provisions of the Act and has placed the details like – name of Public Information Officer (PIO), Assistant Public Information Officer (APIO) and Appellate Authority on its website.

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 31st March, 2022, 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 2021-22 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 31st March, 2022 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 Y Chaturvedi & Co, Jaipur as Statutory Auditors of the Company for the Financial Year 2021-22.

The Auditor's Report is self-explanatory and do not call for any further comments.

COMMENTS OF C&AG

The review of Financial Statements for the year ended 31st March, 2022 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 requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors has appointed M/s K G Goyal & Associates, Jaipur as Cost Auditors to conduct the Cost Audit for the year 2022-23.

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 would like to express their sincere appreciation for the continued co-operation and support extended to the Company by banks, Government authorities, customers, vendors and members during the year under review. Your Directors gratefully acknowledge the ongoing co-operation and support provided by Central and State Governments and all Regulatory bodies.

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 place on record their sincere appreciation for the diligent efforts, hard work and commitment put in by all REIL employees to take the organization to greater heights.

I am confident that multiple initiatives currently under implementation will help us to overcome the immediate challenges and build a strong base for long-term sustained and profitable growth of your company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Jaipur

Date : 15.12.2022

Sd/-

CHAIRMAN

Annexure to Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

a) CORPORATE OVERVIEW

The focus is on Shaping Rural India through Electronics, Renewable Energy & IT Solutions. 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 is also setting up EV Charging Infrastructure to promote e-mobility under FAME India Scheme. REIL products contribute to the social and economic welfare of the rural masses.

b) ECONOMY

After experiencing a difficult period due to the COVID-19 pandemic, strong macro indicators suggest a rebound, primarily on account of favourable fiscal and monetary policies. Emphasis on improving healthcare has also aided the crisis response. The Indian economy expanded by 8.7% in FY 2021-22, rebounding from a 6.6% contraction in FY 2020-21, reiterating the country's status as one of the fastest-growing major economies in the world. The escalation of the Russia-Ukraine crisis has a detrimental effect on the prices of crude oil, gas and other commodities leading to further pressure on the fragile economies.

The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. RBI estimates the GDP growth rate for FY 2022-23 at 7.2%.

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 process.

- 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 Milk analysing Industry through its customer focused approach by way of ensuring prompt products deliveries and after sales support. The objective has been to satisfy its esteemed customers.

The Company has deployed approximately 8984 nos. of Milk Analyser and automation solutions including Electronic Milk Tester (EMT), Electronic Milk Adulteration Tester (EMAT), Milk Analyser, Auto-EMT, Automatic Milk Collection Unit (AMCU), DPU based MCU, SPV Based DPU MCU, Raw Milk Reception Dock (RMRD), Integrated Milk Management Software, Advanced DPU based MCU (ADPMCU), Vehicle Tracking System, Electronic Weigh Scale etc

Diversification of product range by launching the new product “Advanced DPU” had added another feather in the cap. The Company has received order of 1225 nos. of Advanced Data Processor Milk Collection Unit and 721 nos. of ADPU from various milk producers companies and societies across India.

The Company has also received orders from Rajasthan State Co-operative Bank for the ongoing CBS ATS/AMC/Helpdesk for next three years, Central Electronics Engineering Research Institute (CEERI, Pilani), Directorate of Gopalan, Andaman & Nicobar Islands Integrated Development Corporation Ltd., Gomati Co-operative Milk Producers Union Ltd. and State Election Commission, Rajasthan.

During the Financial year the Company has received and executed a prestigious order from RCVET, Jodhpur, for providing rooftop power plant at 109 nos. of ITIs in the state of Rajasthan for total capacity of 3030 kWp. The total value

of order was Rs. 14.99 Crore (approx.). The Company has also executed projects to the tune of Rs. 9.50 Crore (approx.) for Rajasthan State Co-operative Bank and Department of Forest for providing SPV Power Plants and Water Pumping System.

The Company has received order from NMDC Limited for “Design/ Engineering, Procurement & Supply, Construction, Installation and Commissioning of 425 kWp capacity Grid Connected Roof Top Solar (RTS) Power Plants on various buildings in the Township of Bachel Complex of NMDC on turnkey basis including Comprehensive Operation & Maintenance (O&M) for a period of ten (10) years.

During this period, Company has also received order of Rs. 13.80 Crore (approx.) and executed a prestigious order from GAIL (India) Limited for 2.64 MWp SPV Power Plants on various rooftops of GAIL Complex, Pata (UP).

The Company has further extended its wings for CSR business in PSUs and executed CSR Projects in this Financial Year more than 700 kWp SPV Power Plants were supplied and installed under CSR activity of PFC.

The Company has acquired work orders for PSA based Oxygen Production Plant from National Health Mission (NHM) Jaipur, Government of Rajasthan for deployment at 14 different locations across the state of Rajasthan.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2022

[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 th 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	61%
2.	Solar Photovoltaic Modules / Systems.	3510- Electric power generation, transmission and distribution	39%

* 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 01-04-2021)				No. of Shares held at the end of the year (As on 31-03-2022)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(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. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) 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

2. Non-Institutions	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
C. Shares held by Custodian for GDRs & ADRs	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
Grand Total (A+B+C)	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 01-04-2021)			Shareholding at the end of the year (As on 31-03-2022)			% 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	-	-
	Total	12250000	100	-	12250000	100	-	-

(iii) Change in Promoters' Shareholding as on March 31, 2022 (Please specify, if there is no change)

Name	Shareholding at the beginning of the year (As on 01-04-2021)		Date	Increase / Decrease in Share- holding	Reason	Cumulative Shareholding during the year (01-04-2021 to 31-03-2022)	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
The President of India	6247500	51	31.03.2020	No Change		6247500	51
Rajasthan State Industrial Development & Investment Corporation Ltd. Jaipur	6002500	49	31.03.2020	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 (₹ in Lakh)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakh)

SL. No.	Particulars of Remuneration	Name of Managing Director
		Shri Rakesh Chopra
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	36.02 - -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others i.e. PF and Pension	3.03
	Total (A)	39.05

B. Remuneration to other Directors :

SL. No.	Particulars of Remuneration	Name of Directors		
		Shri M. L. Bhargava	Shri Nirmal Kumar Jain	Shri Dinesh K Sharma
1.	Independent Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	0.16	0.58	0.16
	Total (1)	0.16	0.58	0.16
2.	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B) = (1+2)	0.16	0.58	0.16
	Total Managerial Remuneration	0.16	0.58	0.16

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ 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	31.77	11.11	42.88
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others i.e. PF and Pension		2.67	1.00	3.67
	Total		34.44	12.11	46.55

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					

**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 & INSTRUMENTS LIMITED
FOR THE YEAR ENDED 31st MARCH, 2022**

The preparation of financial statements of Rajasthan Electronics & Instruments Limited for the year ended 31 March 2022 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 29 September, 2022.

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 & Instruments Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act.

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

Sd/-

(S. Ahladini Panda)

Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place : New Delhi
Dated :03.11.2022

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 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, Statement of Changes in other 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, 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, 2022, and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for 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.

Emphasis of Matter

We draw attention to the following:

- (a) Note No 7.1 & 19B wherein certain 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. 15.48 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 payables which includes Rs 96.48 Crore payable to contractor only when the payment is received from customer.
- (d) Note No 20.1.2 regarding non-disclosure of contingent liability of interest claim by an MSME vendor (M/s Gan sun Global Solutions India Private Limited) on an amount of Rs.14.75 lacs as the amount of interest is not ascertainable.

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

Key Audit Matter

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.

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 A**" 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 B**" 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 and the Statement of Changes in Equity, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

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) ,(e) 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 mis-statement;

v. The company has neither declared nor paid any dividend during the year.

Place : Jaipur

Dated : 29.09.2022

UDIN : 22071893AWQTGF9476

For Y Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-

(Govind Prasad Sharma)
Partner
Membership No. 71893

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE
MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED,
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022
(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 title deeds of immovable properties disclosed in the financial statements are held in the name of the Company. Although the original papers 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, 2022 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 were 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 25 Crore from bank 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. 13950825/- 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.

(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 42.60 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	238.45	F.Y. 2019-20	Commissioner (Appeal) CGST

(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, it appears that the company has an Internal Audit System but it is 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 2021-22.
- (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 has incurred cash losses in the financial year as well as in the immediately preceding financial year. The cash loss in current financial year is Rs. 559.54 lakh and cash loss in preceding financial year was Rs. 1468.87 lakh.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable.

(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 : 29.09.2022

UDIN : 22071893AWQTGF9476

For Y. Chaturvedi & Co

Chartered Accountants

(FRN. 001912C)

Sd/-

(Govind Prasad Sharma)

Partner

Membership No. 71893

**ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE
MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED,
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

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, 2022:-

Sl. No.	Directions	Action Taken	Impact on IND AS Financial Statements
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 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.	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 received/ receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the 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.	NIL

Place : Jaipur
Dated : 29.09.2022

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

UDIN : 22071893AWQTGF9476

**ANNEXURE- C TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE
MEMBERS OF RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED,
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

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, 2022 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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, 2022 :

- (a) Keeping in view the size, nature and complexities of the business, the Company's Internal Audit needs to be strengthened alongwith periodic review of the Financial Statements of the Company.
- (b) The Company do not have an appropriate internal control systems 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, 2022, 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, 2022.

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, 2022 Financial Statements of the Company, and these material weaknesses do not affect our opinion on the Financial Statements of the Company.

Place : Jaipur

Dated : 29.09.2022

UDIN : 22071893AWQTGF9476

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March 2022 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 : 29.09.2022

UDIN : 22071893AWQTGF9476

For Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893



BALANCE SHEET AS AT 31st MARCH 2022

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

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
I. Non-current Assets			
(a) Property, plant and equipment	4	3,064.17	3,256.88
(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	191.56	244.99
(iii) Loans		-	-
(iv) Other financial assets	9A	188.01	207.66
(v) Deferred Tax Asset (Net)	8	1,548.23	1,658.73
(vi) Other non-current assets	12A	0.58	0.66
Total Non-current Assets		4,992.55	5,368.92
II. Current Assets			
(a) Inventories	10	2,125.19	2,320.08
(b) Financial assets		-	-
(i) Investments	7	15,630.88	17,573.97
(ii) Trade receivables	11	1,550.46	867.07
(iii) Cash and cash equivalents	11A	251.69	176.84
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Other financial assets	9B	129.98	218.50
(c) Current tax assets	13	529.07	655.81
(d) Other current assets	12B	451.13	82.83
Total Current Assets		20,668.40	21,895.10
Total Assets (I + II)		25,660.95	27,264.02
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	14	1,225.00	1,225.00
(b) Other Equity	15	6,069.39	6,883.72
Total Equity		7,294.39	8,108.72
LIABILITIES			
II. Non-current Liabilities			
(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	43.23	37.09
(b) Provisions	17A	266.25	272.92
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities	18A	243.91	288.87
Total Non-current Liabilities		553.39	598.88
III. Current liabilities			
(a) Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Lease liabilities		-	-
(iii) Trade payables		-	-
(A) total outstanding dues of micro enterprises and small enterprises	19B	2,628.20	3,798.80
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	19B	11,787.19	10,424.79
(iv) Other financial liabilities	16	395.18	408.23
(b) Other current liabilities	18B	2,036.39	3,142.03
(c) Provisions	17B	966.21	782.57
Total Current Liabilities		17,813.17	18,556.42
IV. Total Liabilities (II + III)		18,366.56	19,155.30
Total Equity and Liabilities (I + IV)		25,660.95	27,264.02

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 Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(**Manish Shukla**)
Director
DIN : 09648291

Sd/-
(**Rakesh Chopra**)
Managing Director
DIN : 08732688

Sd/-
(**Govind Prasad Sharma**)
Partner
Membership No. 71893

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

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

Place : Jaipur
Date : 29.09.2022
UDIN : 22071893AWQTGF9476

**STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH 2022**

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

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I. Revenue from Operations	21	16,490.59	14,744.20
II. Other income	22	170.56	122.13
III. Total Income (I + II)		16,661.15	14,866.33
IV. Expenses			
Cost of material consumed	23	9,905.82	8,184.49
Purchase of stock in Trade		-	-
Change in inventories of finished goods	24	461.63	50.74
Employee benefits expense	25	3,418.63	3,531.69
Finance costs	26	60.76	147.76
Depreciation, Impairment and amortisation expenses	27	189.31	436.08
Other expenses	28	3,373.85	4,420.52
Total expenses		17,410.00	16,771.28
V. Profit / (Loss) before exceptional items and tax (III-IV)		(748.85)	(1,904.95)
VI. Add: Exceptional items		-	-
VII. Profit / (Loss) before exceptions items and tax		(748.85)	(1,904.95)
VIII. Less: Tax expense	29		
1. Current tax		-	-
2. Provision Reversal		-	2.51
3. Deferred tax		97.39	(629.73)
Total Tax Expense		97.39	(627.22)
IX Profit / (Loss) for the period from continued operations (VII - VIII)		(846.24)	(1,277.73)
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)		(846.24)	(1,277.73)
XIV Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss		-	-
(a) Remeasurements of the defined benefit plans		45.02	(9.46)
B (i) Income tax relating to items that will not be reclassified to profit or loss		(13.11)	2.75
Total other comprehensive income (XIV=A(i)+B(i))		31.91	(6.71)
XV Total comprehensive income for the year (XIII+XIV)		(814.33)	(1,284.44)
XVI Earnings per equity share	30		
(1) Basic (in Rs.)		(6.91)	(10.43)
(2) Diluted (in Rs.)		(6.91)	(10.43)

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 Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

Sd/-
(Manish Shukla)
Director
DIN : 09648291

Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

Place : Jaipur
Date : 29.09.2022
UDIN : 22071893AWQTGF9476

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flows from operating activities		
Profit/(Loss) for the year	(846.24)	(1,277.73)
Adjustments for:	-	-
Income tax expense recognised in profit or loss	97.39	(627.22)
Allowances for bad debts	148.21	721.57
Loss/(profit) on sale of property, plant and equipment	-	6.34
Assets Written Back	5.50	2.36
Penalty Ag. Late Supply - SPV	-	179.70
Finance costs recognised in profit or loss	60.76	147.76
Interest income recognised in profit or loss	(162.01)	(100.30)
Depreciation and amortisation	189.31	256.68
Impairment of assets	-	179.40
Bad Debts	6.26	-
Cash generated from operations before working capital changes	(500.82)	(511.44)
Movements in working capital:	-	-
(Increase) / Decrease in trade receivables	1,842.05	(271.00)
(Increase) / Decrease in other assets	(189.39)	408.55
(Increase)/Decrease in inventories	194.89	395.45
Increase/ (Decrease) in trade payables	197.93	799.85
Increase/(Decrease) in provisions	221.99	429.75
Increase/(Decrease) in other payables	(1,163.65)	901.18
	1,103.82	2,663.78
Cash generated from operations	603.00	2,152.34
Income Taxes Paid	-	(202.33)
Net cash generated by operating activities	603.00	1,950.01
B. Cash flows from investing activities	-	-
Payments for property, plant and equipment	(2.09)	(13.75)
Proceeds from disposal of property, plant and equipment	-	0.86
Interest Income	143.24	100.30
Net cash (used in)/generated by investing activities	141.15	87.41
C. Cash flows from financing activities	-	-
Proceeds from Borrowings	-	-
Repayment of borrowings	-	(1,035.13)
Dividends paid on equity shares	-	-
Dividend Tax Paid	-	-
Finance cost paid	(60.76)	(147.76)
Net (used in)/ generated in financing activities	(60.76)	(1,182.89)
Net increase/ (decrease) in cash and cash equivalents	683.39	854.53
Cash and cash equivalents at the beginning of the year	867.07	12.54
Cash and cash equivalents at the end of the year*	1,550.46	867.07
Reconciliation of Cash and Cash Equivalents		
Cash and cash equivalents as per Cash Flow Statement	1,550.46	867.07
Difference	-	-
Cash and cash equivalents as per Balance Sheet (Refer Note No. 11)	1,550.46	867.07

*Cash and cash equivalents include other bank balances as per Note 11

- 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. 13.30 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 Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 29.09.2022
UDIN : 22071893AWQTF9476

For and on behalf of the Board of Directors

Sd/-
(Manish Shukla)
Director
DIN : 09648291

Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

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, 2022

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, 2021

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 Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 29.09.2022
UDIN : 22071893AWQTF9476

Sd/-
(Manish Shukla)
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(Amit Kumar Jain)
Company Secretary

Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

Sd/-
(Subhash Agrawal)
Chief Financial Officer

B. Other Equity

1. Statement of changes in other equity for the year ended March 31, 2022

	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					6823.45	304.83					(244.56)			6883.72
(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											31.91			31.91
(e) Dividends														
(f) Transfer to retained Earnings					(850.00)	850.00								(846.24)
(g) Any other change (to be specified)						(846.24)								
(h) Balance at the Current Reporting Period					5973.45	308.59					(212.65)			6069.39

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

2. Statement of changes in other equity for the year ended March 31, 2021

	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					8,123.45	282.56					(237.85)			8,168.16
(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											(6.71)			(6.71)
(e) Dividends														
(f) Transfer to retained Earnings					(1,300.00)	1,300.00								(1,277.73)
(g) Any other change (to be specified) Profit/Loss for the Year						(1,277.73)								
(h) Balance at the end Previous Reporting Period					6,823.45	304.83					(244.56)			6,883.72

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 Y. Chaturvedi & Co
Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 29.09.2022
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Sd/-
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Company Secretary

Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

Sd/-
(Subhash Agrawal)
Chief Financial Officer

General Information & Significant Accounting Policies forming part of Financial Statements for the year ended March 31, 2022

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 12th 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, Solar Energy Equipment, Electric Vehicle Charging Station, Information Technology and Industrial Electronics.

2. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

Financial Statements have been prepared as per requirement of Schedule-III of 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 recognized 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 derecognized 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 recognized 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

- According to Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized.
- The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognized 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 recognized 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 recognized 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 recognized 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 recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognized 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 recognized 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 recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes 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 recognized 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 recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction cost is recognized 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 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 recognized 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 recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized 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, recognized as 'other income' in the Statement of Profit and Loss.

Derecognition of Financial Asset

The Company derecognizes 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 recognized 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 recognized 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 recognized in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognized 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 recognized 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 recognized in the Statement of Profit and Loss.

Derecognition of Financial Liability

A financial liability is derecognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized in the Statement of Profit and Loss except to the extent it relates to an item which is recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized in OCI or Statement of Profit and Loss are also recognized 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 recognized 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 recognized in Statement of profit and loss on a systematic basis over the periods in which the Company recognizes 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 recognized 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 recognizes 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 remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements 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, 2022 (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, 2021	Additions	Adjustments	Disposals	Balance at March 31, 2022	Balance as at April 1, 2021	Adjustments	Depreciation expense	Impairment	Disposals	Balance at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property plant and equipment													
Vehicles	25.95	-	-	-	25.95	15.36	-	3.08	-	-	18.44	7.51	10.59
Road, Drains & water supply	27.32	-	0.98	-	26.34	25.95	0.93	-	-	-	25.02	1.32	1.37
Building	1,838.43	-	-	-	1,838.43	216.34	-	8.48	-	-	224.82	1,613.61	1,622.09
Furniture and fixtures	217.83	-	43.03	-	174.80	138.56	41.77	34.04	-	-	130.83	43.97	79.27
Office Equipment	147.30	-	11.69	-	135.61	57.02	11.11	10.02	-	-	55.93	79.68	90.28
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	1,520.47	-	1.33	-	1,519.14	704.98	1.26	94.13	-	-	797.85	721.29	815.47
Plant and Machinery-Indigenous	739.20	-	20.39	-	718.81	278.87	19.37	22.46	-	-	281.96	436.85	460.35
Computer and Printers	239.69	2.09	32.53	-	209.25	201.43	30.02	15.81	-	-	187.22	22.03	38.26
Leasehold Premises													
Land	127.28	-	-	-	127.28	17.08	-	1.29	-	-	18.37	108.91	110.20
Subtotal	5,489.60	2.09	109.95	-	5,381.74	2,232.72	104.46	189.31	-	-	2,317.57	3,064.17	3,256.88
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	5,489.60	2.09	109.95	-	5,381.74	2,232.72	104.46	189.31	-	-	2,317.57	3,064.17	3,256.88

- 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.
- 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.
- Items of Rs. 37.12 Lakh and Rs. 7.47 Lakh related to Office Equipment and Computers & Printers respectively earlier included in opening balance of Plant and Machinery (Indigenous) has been transferred in the respective heads.
- Items of Rs. 110.17 Lakhs and Rs. 232.22 Lakhs related to Office Equipment and Computers & Printers respectively earlier included in opening balance of Furniture and Fixtures has been transferred in the respective heads.
- In the year 2020-21 Depreciation was charged on Building at Mansarovar Jaipur taking estimated useful life of 30 years prescribed for factory building, however during the year the useful life has been revised to 60 Years as prescribed for Building (other than factory building RCC Frame Structure) accordingly the depreciation was required to be provided, but as the same has already been charged in the previous year, therefore, the same has not been provided in the current year.

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, 2020	Additions	Adjustments	Disposals	Balance at March 31, 2021	Balance as at April 1, 2020	Adjustments	Depreciation expense	Impairment	Disposals	Balance at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Property plant and equipment													
Vehicles	31.81	-	-	5.86	25.95	17.85	-	3.08	-	5.57	15.36	10.59	13.96
Road, Drains & water supply	27.32	-	-	-	27.32	25.95	-	-	-	-	25.95	1.37	1.37
Building	343.12	1,495.31	-	-	1,838.43	160.47	-	55.87	-	-	216.34	1,622.09	182.65
Furniture and fixtures	126.09	307.19	-	-	433.28	102.53	-	34.09	-	-	136.62	296.66	23.56
Office Equipment	99.83	96.38	-	-	196.21	80.51	-	12.65	-	-	93.16	103.05	19.32
Wind Power Project	580.00	-	-	-	580.00	349.17	-	22.43	179.40	-	551.00	29.00	230.83
Temporary Structure	26.13	-	-	-	26.13	26.13	-	-	-	-	26.13	-	-
Plant and Machinery-Imported	1,635.92	-	-	115.45	1,520.47	720.51	-	94.14	-	109.67	704.98	815.49	915.41
Plant and Machinery-Indigenous	511.80	-	28.05	10.73	473.02	254.00	26.15	24.20	-	10.00	242.05	230.97	257.80
Computer and Printers	238.79	5.90	0.46	2.72	241.51	197.44	-	8.93	-	2.32	204.05	37.46	41.35
Leasehold Premises													
Land	127.28	-	-	-	127.28	15.79	-	1.29	-	-	17.08	110.20	111.49
Subtotal	3,748.09	1,904.78	28.51	134.76	5,489.60	1,950.35	26.15	256.68	179.40	127.56	2,232.72	3,256.88	1,797.74
Capital work-in-progress	1,891.03	-	1,891.03	-	-	-	-	-	-	-	-	-	1,891.03
Total	5,639.12	1,904.78	1,919.54	134.76	5,489.60	1,950.35	26.15	256.68	179.40	127.56	2,232.72	3,256.88	3,688.77



Notes forming part of the Financial Statements for the year ended March 31, 2022 (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, 2021	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2022	Balance as at April 1, 2021	Amortisation expense	Adjustments	Balance at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
Subtotal (a)	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-

Previous Year

(All amounts in ₹ , unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment				Carrying Amount	
	Balance as at April 1, 2020	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance at March 31, 2021	Balance as at April 1, 2020	Amortisation expense	Adjustments	Balance at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Technical Know-how	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-
Subtotal (a)	72.70	-	-	-	72.70	72.70	-	-	72.70	-	-

6. Trade receivables - Non Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unsecured, considered good	191.56	244.99
Total	191.56	244.99

7. Trade receivables - Current

Particulars	As at March 31, 2022	As at March 31, 2021
From Related Party		
(a) Unsecured, considered good	-	1.82
From Others		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	15,630.88	17,572.15
(c) Doubtful	2,224.03	2,075.82
Less : Allowance for doubtful debts	2,224.03	2,075.82
Total	15,630.88	17,573.97

7.1 The Company has sent letters to the parties for confirmation of the outstanding balance as at 31st March 2022, but the response of these letters has not been received by the company.

Trade Receivables ageing schedule as on March 31, 2022

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	3218.07	2249.95	3351.53	453.48	-	9273.03
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	8581.88	8581.88
(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	3218.07	2249.95	3351.53	453.48	8581.88	17854.91
Less : Provision for Doubtful Debts	-	-	-	-	2224.03	2224.03
Total Trade Receivables	3218.07	2249.95	3351.53	453.48	6357.85	15630.88

Trade Receivables ageing schedule as on March 31, 2021

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	5767.77	1941.00	1659.92	398.76	-	9767.45
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	9882.34	9882.34
(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	5767.77	1941.00	1659.92	398.76	9882.34	19649.79
Less : Provision for Doubtful Debts	-	-	-	-	2075.82	2075.82
Total Trade Receivables	5767.77	1941.00	1659.92	398.76	7806.52	17,573.97

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, 2022	As at March 31, 2021
Deferred tax liabilities	(693.81)	(343.31)
Deferred tax assets	2,242.04	2,002.04
Net	1,548.23	1,658.73

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.

Year ended March 31, 2022

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (assets)/liabilities in relation to :				
Property, plant and equipment	(333.02)	(11.38)	-	(344.40)
Fair Value of financial assets	13.28	(7.38)	-	5.90
Allowance for Doubtful Debts	604.48	41.34	-	645.82
Deferred revenue	12.94	(113.76)	-	(100.82)
Deferred expense	(10.29)	89.24	-	78.95
Provisions for Employee Benefit	539.84	55.51	(13.11)	582.24
Tax on losses (Carry Forward Losses)	582.91	346.23	-	929.14
Deferred Grant	248.59	(497.19)	-	(248.60)
Total	1,658.73	(97.39)	(13.11)	1,548.23

Year ended March 31, 2021

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (assets)/liabilities in relation to :				
Property, plant and equipment	(381.74)	48.72	-	(333.02)
Fair Value of financial assets	18.64	(5.36)	-	13.28
Allowance for Doubtful Debts	394.36	210.12	-	604.48
Deferred revenue	44.28	(31.34)	-	12.94
Deferred expense	(34.46)	24.17	-	(10.29)
Provisions for Employee Benefit	429.58	107.51	2.75	539.84
Tax on losses (Carry Forward Losses)	555.59	27.32	-	582.91
Deferred Grant	-	248.59	-	248.59
Total	1,026.25	629.73	2.75	1,658.73

9. Other financial assets

9A. Other financial assets - Non current

Particulars	As at March 31, 2022	As at March 31, 2021
From Related Party		
- Security Deposit	0.40	0.40
Others -	-	-
- Security Deposit	65.83	65.83
- Loans & Advances to employee	3.79	3.89
-FDR issued as EMD	19.12	43.18
- Cash and bank balance not available for immediate use (See Note below)	98.87	94.36
Total	188.01	207.66

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

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Balances (Including interest accrued thereon) not available for immediate use being deposits pledged with bank as margin money.	289.97	271.20
Less : Amount reflected under Other Bank Balance [Note 11A]	191.10	176.84
Amount reflected under other financial assets - non-current [Note 9A]	98.87	94.36

9B. Other financial assets - Current

Particulars	As at March 31, 2022	As at March 31, 2021
- Security Deposits	8.10	8.10
- Loans to Staff	0.19	0.24
- Earnest Money	115.21	203.68
- Subsidy Receivable	6.48	6.48
Total	129.98	218.50

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

10. Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Inventories		
Raw Materials	1,182.30	750.20
Raw Material in Production Department	357.24	440.27
Finished goods	455.40	917.03
Packing Material	4.54	2.77
Stores and Spares	125.71	209.81
Loose tools	-	-
Goods-in-transit	-	-
Stock-in-trade	-	-
Others	-	-
Total	2,125.19	2,320.08

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

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, 2022	As at March 31, 2021
Balances with Banks	1,547.69	866.66
PNB Savings Account	13.30	822.67
Other Bank Balances	334.39	43.99
Deposits with Bank	1,200.00	-
Cash on hand	2.77	0.41
Cheques, drafts on hand	-	-
Cash and cash equivalents	1,550.46	867.07

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

11A. Other Bank Balances

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Deposits pledged with bank as margin money (maturity more than 3 months but less than 12 months)	191.10	176.84
FDR Issued as EMD	60.59	-
Total	251.69	176.84

Note : 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.

12. Other assets

12A. Other assests - Non Current

Particulars	As at March 31, 2022	As at March 31, 2021
Others -		
-Prepaid expenses	0.58	0.66
Total	0.58	0.66

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

12B. Other assets - Current

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

Particulars	As at March 31, 2022	As at March 31, 2021
Advance against expenses to employees	1.69	1.83
Prepaid expenses	5.64	12.04
Other Advances	73.69	34.06
Advances to Vendors	31.05	14.10
GST Adjustable	339.06	20.80
Total	451.13	82.83

13. Current tax assets and liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets		
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-
Advance Payment of taxes	547.47	674.21
	547.47	674.21
Current tax liabilities		
Income tax payable	18.40	18.40
	18.40	18.40
Current tax Assets / (Liabilities)	529.07	655.81

14. Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	1,225.00	1,225.00
Total	1,225.00	1,225.00
Authorised Share capital :		
1,50,00,000 equity shares of Rs. 10 each (as at March 31, 2021 : 1,50,00,000)	1,500.00	1,500.00
Issued and subscribed capital comprises :		
1,22,50,000 fully paid equity shares of Rs. 10 each (as at March 31, 2021 : 1,22,50,000)	1,225.00	1,225.00
	1,225.00	1,225.00

14.1 Movement during the period

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	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, 2022		As at March 31, 2021	
	Number of shares	% holding in the class of shares	Number of shares	% holding in the class of shares
Equity shares :				
Government of India	62,47,500	51%	62,47,500	51%
RIICO, JAIPUR	60,02,500	49%	60,02,500	49%
Total	1,22,50,000	100%	1,22,50,000	100%

Notes forming part of the Financial Statements for the year ended March 31, 2022(Contd.)

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

14.3 Details of shares held by the promoters.

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	31/03/2021	31/03/2020	31/03/2019	31/03/2018	31/03/2017
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
Balance as at March 31, 2021	6,823.45	60.27	6,883.72
Add: Profit/(Loss) for the year	-	(846.24)	(846.24)
Add: Other Comprehensive Income	-	31.91	31.91
Less: Transfer to Retained Earnings	(850.00)	-	(850.00)
Add: Transfer from General Reserves	-	850.00	850.00
Balance as at March 31, 2022	5,973.45	95.94	6,069.39

Previous Year

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2020	8,123.45	44.70	8,168.15
Add: Profit/(Loss) for the year	-	(1,277.73)	(1,277.73)
Add: Other Comprehensive Income	-	(6.70)	(6.70)
Less: Transfer to Retained Earnings	(1,300.00)	-	(1,300.00)
Add: Transfer from General Reserves	-	1,300.00	1,300.00
Balance as at March 31, 2021	6,823.45	60.27	6,883.72

16. Other financial liabilities - Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Earnest Money	35.64	76.37
(b) Retention money	20.96	20.96
(c) Security Deposit	107.56	119.44
(d) Employee Benefits Payable	102.29	87.31
(e) Others	10.48	4.28
(f) Reimbursement to Staff against expenses	118.25	99.87
Total	395.18	408.23

17. Provisions

17A. Provisions - Non current

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefits	266.25	272.92
Total	266.25	272.92

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

17B. Provisions - Current

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefits	916.21	732.57
Provision for Warranty	50.00	50.00
Total	966.21	782.57

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.

18. Other liabilities

18A. Other non-current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
-Deferred Grant Related to income*	12.87	25.74
-Deferred Grant Related to asset*	19.22	20.29
-Deferred Revenue	211.82	242.84
Total	243.91	288.87

18B. Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
-Advance from customers	1,720.41	1,704.71
-Deferred Grant Related to income	12.87	827.95
-Deferred Grant Related to asset	1.07	1.07
-Interest payable under Consolidated Fund of India	13.30	7.58
-Deferred revenue	95.40	440.87
-Statutory dues	193.34	159.85
Total	2,036.39	3,142.03

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, 2022	As at March 31, 2021
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	-	-
-Total Outstanding dues of creditors other than micro and small enterprises	43.23	37.09
Total	43.23	37.09

19B. Trade payables - Current

Particulars	As at March 31, 2022	As at March 31, 2021
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	2,628.20	3,798.80
-Total Outstanding dues of creditors other than micro and small enterprises	11,787.19	10,424.79
Total	14,415.39	14,223.59

19.1 The above outstanding amount includes Rs 3085.08 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 the matter is under legal proceedings before Hon'ble arbitrator. In the case of UPNEDA, S.B. civil arbitration application has been filed before Hon'ble High Court, Jaipur by M/s Suntech Industries.

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

Trade Payables ageing schedule as on March 31, 2022

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	1365.32	137.41	29.57	114.57	981.33	2628.20
(ii) Others	4286.78	847.08	1117.82	490.09	1975.34	8717.11
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	87.51	2982.57	3070.08
Total	5652.10	984.49	1147.39	692.17	5939.24	14415.39

Trade Payables ageing schedule as on March 31, 2021

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	1971.37	198.84	42.79	165.79	1420.01	3798.80
(ii) Others	5128.38	1012.67	224.68	498.38	409.19	7273.30
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	555.83	643.34	1952.32	3151.49
Total	7099.75	1211.51	823.30	1307.51	3781.52	14223.59

20 Contingent liabilities, Contingent assets and Commitments

20.1 Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Guarantees given by bankers on behalf of the company.	2,404.30	3,933.31
(b) Claims against the company not acknowledges as debts.	3,575.58	39.45
(c) GST show cause notice-pending with Commissioner (Appeals-CGST)	238.46	-
(d) Service Tax Show cause notices/Demand raised by Excise & Service Tax Department (2009-10)	3.82	3.82
(e) GST reversed on old sales return	42.17	-

20.1.1 Claims against the company not acknowledge as debts include claim by M/s Suntech Industries 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 claim interest as per MSMED Act, 2006 on which proceedings are pending in the in the High Court of Andhra Pradesh at Amaravati. As per the management, reliable estimate of the interest obligation cannot be made, Hence, the same has not been disclosed as Contingent Liability.

20.2 Contingent assets

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Claims lodged but not approved/settled	11.99	2.43
Total	11.99	2.43

20.3 Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments		
Estimated amount of contracts remaining to be executed and not provided for including service and maintenance contracts.	13,070.22	9,273.00
Total	13,070.22	9,273.00

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

21. Revenue from operations

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

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sales		
Export	3.33	-
Domestic	9,015.61	9,237.65
(b) Sale of Services		
(c) Other operating revenues		
Services Maintenance and installation Charges	5,349.53	4,536.23
Grant in aid	2,112.75	953.10
Insurance Receipts	6.48	9.97
Carriage Receipts	2.89	7.25
Less :		
(d) Excise Duty	-	-
Total	16,490.59	14,744.20

21.1 Grant in aid includes grant related to income amounting to Rs 2112.75 Lakhs in current year (Rs. 953.10 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. 307.22 Lakhs of which 31.05% 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, 2022 are as follows :

Balances at the beginning of the year	683.70
Revenue recognised during the year	-807.19
Addition during the year	430.71
Balance at the end of the year	307.22

22. Other Income

a) Interest Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Prior Period Income	-	4.56
Bank Deposits	47.94	18.58
Others	114.07	77.16
Total (a)	162.01	100.30

b) Other Non-Operating Income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amortisation of Government Grant*	1.07	1.07
Foreign Exchange Fluctuation	1.04	0.69
Others (aggregate of immaterial items)	6.44	20.07
Total (b)	8.55	21.83
Total (a+b)	170.56	122.13

*Amortisation of Grant of Rs. 1.07 Lakhs (Rs. 1.07 Lakhs 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.

23. Cost of material consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost of material Consumed		
Opening stock	1,403.05	1,747.77
Add: Purchase of raw material	10,172.56	7,839.77
	11,575.61	9,587.54
Less: Closing stock	1,669.79	1,403.05
Total	9,905.82	8,184.49

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

23A. Details of material consumed

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Details of Raw Materials consumed		
Solar Energy Equipments		
-Solar Cells	273.11	247.64
-Others	4,025.98	4,653.61
Electronic Milk Analysers	5,573.84	3,242.86
Consumables & packing materials	32.89	40.38
Total	9,905.82	8,184.49
(b) Value of Imported and indigenous material consumed		
Imported	418.02	378.90
Indigenous	9,487.80	7,805.59
Total	9,905.82	8,184.49

24. Change in inventories of finished goods

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Increase (-) / Decrease (+) in Stock		
Opening Stock		
Finished goods	917.03	967.77
	917.03	967.77
Less: Closing stock		
Finished goods	455.40	917.03
	455.40	917.03
Change in inventories of Finished goods	461.63	50.74
Total	461.63	50.74

25. Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	3,017.31	2,785.06
Contribution to provident and other funds	339.55	463.32
Staff Welfare Expenses	29.84	21.90
Provision for Medical expenses	31.93	261.41
Total	3,418.63	3,531.69

26. Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest costs	-	85.43
Bank Charges	34.29	38.71
Bank Guarantee Commission	26.47	23.62
Total	60.76	147.76

27. Depreciation, impairment and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment pertaining to continuing operations	189.31	256.68
Impairment loss of Property, Plant and Equipments	-	179.40
Less : Depreciation of earlier year written off	-	-
Amortisation of intangible assets	-	-
Total depreciation, impairment and amortisation pertaining to continuing operations	189.31	436.08

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

28. Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Other Expenses		
Power & fuel	44.61	55.78
Repair & Maintenance		
- Plant & machinery	5.85	6.56
- Building	20.08	7.44
- Others	3.74	4.14
Testing & other expenses	24.25	7.69
Component & prototype for R&D	15.22	5.86
Rent	19.90	20.15
Rates & taxes	15.81	14.56
Printing & stationery	12.90	6.46
Travelling & conveyance	105.05	88.25
Postage & communication expenses	16.85	25.76
Legal & professional fee	25.67	37.08
Security, cleaning & other expenses	73.12	75.46
Payment to Auditors	2.71	2.79
Insurance charges	10.73	14.68
Allowances for Doubtful Debts	148.21	721.57
Advertising & business promotion	9.20	5.10
Forwarding expenses	118.71	104.28
Warranty Obligation	16.25	23.90
Royalty, Discount & commission	144.39	41.57
Service, maintenance & installation charges	2,468.31	2,911.08
Miscellaneous expenses	60.52	39.71
Loss on Sale of Assets	-	6.34
Bad & Doubtful debts write off	6.26	-
Loss on Written off of assets	5.50	2.36
Penalty Ag. Late Supply	-	179.70
Prior Period Expenses	-	12.25
Total	3,373.85	4,420.52

28.1 Details of payment to Auditors

Payments to Auditors	Year ended March 31, 2022	Year ended March 31, 2021
(a) Statutory audit fee	1.00	1.00
(b) Tax audit fee	0.60	0.60
(c) Certification work	1.11	0.94
(d) Out of pocket expenses	-	0.25
Total	2.71	2.79

28.2 Miscellaneous expenses includes Director's Sitting fees of Rs. 0.90 Lakh (Previous year Rs. 1.28 Lakh) and Board Meeting expenses of Rs. 0.11 Lakh (Previous year Rs. Nil)

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

29. Income taxes relating to continuing operations

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

29.1 Income tax recognised in profit or loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current period	-	-
Adjustment of tax relating to earlier year	-	-
	-	-
Provision Reversal		
In respect of the Previous period	-	2.51
	-	2.51
Deferred tax		
In respect of the current period	97.39	(629.73)
Adjustment of tax relating to earlier year	-	-
	97.39	(629.73)
Total income tax expense recognised in the current period relating to continuing operations	97.39	(627.22)

29.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred Tax		
Re-measurement of defined benefit obligation	(13.11)	2.75
Total	(13.11)	2.75
Bifurcation of the income tax recognised in other items that will not be reclassified to profit or loss	(13.11)	2.75

30. Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Rs. per share	Rs. per share
From Continuing operations		
Profit / (Loss) after tax	(846.24)	(1,277.73)
Weighted average number of equity shares for calculation of basic EPS	122.50	122.50
Basic earnings per share (one equity share of Rs. 10/- each)	(6.91)	(10.43)
Weighted average number of equity shares for calculation of diluted EPS	122.50	122.50
Diluted earnings per share (one equity share of Rs. 10/- each)	(6.91)	(10.43)
From Continuing operations	Rs. per share	Rs. per share
Basic earnings per share	(6.91)	(10.43)
Diluted earnings per share	(6.91)	(10.43)

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, 2022	Year ended March 31, 2021
Profit / (Loss) for the period attributable to owners of the Company (A)	(846.24)	(1,277.73)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	122.50	122.50
Basic Earnings per share (A/B)	(6.91)	(10.43)

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

30.2 Diluted earnings per share

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

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, 2022	Year ended March 31, 2021
Earnings used in the calculation of basic earnings per share	(846.24)	(1,277.73)
Earnings used in the calculation of diluted earnings per share (A)	(846.24)	(1,277.73)
Weighted average number of equity shares used in the calculation of basic earnings per share	122.50	122.50
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	122.50	122.50
Diluted earnings per share (A/B)	(6.91)	(10.43)

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. 227.65 Lakhs (Previous Year Rs. 221.42 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.

Investment risk	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
Interest risk	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.
Longevity risk	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.
Salary risk	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, 2022	As at March 31, 2021
Discount rate (s)	6.98%	6.44%
Rate (s) of salary increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	3.00%
Expected Return on Plan Assets	6.98%	6.44%
Mortality rates* (During Employment)	Indian Assured Lives Mortality (2012-14) (urban)	Indian Assured Lives Mortality (2006-08)

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, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	(1,674.27)	(1,709.99)
Fair value of plan assets	1,062.47	1,130.50
Funded status	(611.80)	(579.49)
Restrictions on asset recognised		
Net liability arising from defined benefit obligation	(611.80)	(579.49)

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

Net Interest Cost for Current Period are as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Benefit Obligation at the Period	1,709.99	1,723.58
Fair value of plan assets at the Beginning of the Period	(1,130.50)	(1,238.10)
Net Liability/(Assets) at the Beginning	579.49	485.48
Interest Cost	110.12	117.72
(Interest Income)	(72.80)	(84.56)
Net Interest Cost for Current Period	37.32	33.16

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

Particulars	As at March 31, 2022	As at March 31, 2021
Current Service Cost	40.46	53.83
Net Interest Cost	37.32	33.16
Past Service Cost	-	-
Expenses Recognized	77.78	86.99

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

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial (Gains)/Losses on Obligation For the Period	(40.95)	3.81
Return on Plan Assets, Excluding Interest Income	(4.07)	5.65
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(45.02)	9.46

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

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	1,709.99	1,723.59
Interest cost	110.12	117.72
Current service cost	40.46	53.83
Past Service Cost	-	-
Remeasurement (gains)/losses :		
Actuarial gains and losses arising from changes in demographic assumptions	(1.00)	12.52
Actuarial gains and losses arising from changes in financial assumptions	(43.88)	33.28
Actuarial gains and losses arising from experience adjustments	3.94	(41.99)
Benefits paid from the Fund	(145.36)	(188.96)
Closing defined benefit obligation	1,674.27	1,709.99

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

Particulars	As at March 31, 2022	As at March 31, 2021
Opening fair value of plan assets	1,130.50	1,238.10
Interest income	72.80	84.56
Return on plan assets (excluding amounts included in net interest expense)	4.07	(5.65)
Contributions from the employer	0.46	2.45
Benefits paid from the Fund	(145.36)	(188.96)
Closing fair value of plan assets	1,062.47	1,130.50



Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

Balance Sheet Reconciliation

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Net Liability	579.49	485.49
Expenses Recognized in Statement of Profit or Loss	77.78	86.99
Expenses Recognized in OCI	(45.02)	9.46
Net Liability/(Asset) Transfer In	-	-
Net Liability/(Asset) Transfer Out	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
(Benefit Paid Directly by the Employer)	(0.46)	(2.45)
Net Liability/(Asset) Recognized in the Balance Sheet	611.80	579.49

Category of Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance Fund	1,062.47	1,130.50
Net Liability/(Asset) Recognized in the Balance Sheet	1,062.47	1,130.50

Other Details

Particulars	As at March 31, 2022	As at March 31, 2021
No. of Active Members	227	240
Per Month Salary For Active Members	159.90	151.51
Weighted Average Duration of the Projected Benefit Obligation	6	6
Average Expected Future Service	10	10
Projected Benefit Obligation (PBO)	1,674.27	1,709.99
Prescribed Contribution for Next Year (12 Months)	159.90	151.51

Net Interest Cost for Next Year are as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of Benefit Obligation at the End of the Period	1,674.27	1,709.99
Fair value of plan assets at the End of the Period	(1,062.47)	(1,130.50)
Net Liability/(Assets) at the End of the Period	611.80	579.49
Interest cost	116.86	110.12
(Interest Income)	(74.16)	(72.80)
Net Interest Cost for Next Period	42.70	37.32

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

Particulars	As at March 31, 2022	As at March 31, 2021
Current Service Cost	37.90	40.46
Net Interest Cost	42.70	37.32
Expenses Recognized	80.60	77.78

Maturity Analysis of Projected Benefit Obligation : From the Fund

Particulars	As at March 31, 2022	As at March 31, 2021
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	300.74	210.57
2nd Following Year	154.52	230.15
3rd Following Year	247.08	182.21
4th Following Year	250.69	234.42
5th Following Year	175.68	235.45
Sum of Years 6 to 10	635.97	697.71
Sum of Years 11 and above	793.16	791.26

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

Sensitivity Analysis

Particulars	As at March 31, 2022	As at March 31, 2021
Projected Benefits Obligation on Current Assumptions	1,674.27	1,709.99
Delta Effect of +1% Change in Rate of Discounting	(74.71)	(82.56)
Delta Effect of -1% Change in Rate of Discounting	83.45	92.39
Delta Effect of +1% Change in Rate of Salary Increase	43.99	50.92
Delta Effect of -1% Change in Rate of Salary Increase	(46.05)	(54.05)
Delta Effect of +1% Change in Rate of Employee Turnover	12.46	9.68
Delta Effect of -1% Change in Rate of Employee Increase	(13.66)	(10.55)

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, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	17,690.89	17,690.89	19,112.19	19,112.19
Financial assets at amortised cost :				
Non Current				
Trade receivables*	191.56	191.56	244.99	244.99
Other Financial Assets	188.01	188.01	207.66	207.66
Current				
Trade receivables	15,630.88	15,630.88	17,573.97	17,573.97
Cash and cash equivalents	1,550.46	1,550.46	867.07	867.07
Other financial assets	129.98	129.98	218.50	218.50
Financial liabilities				
Financial liabilities held at amortised cost :	14,853.80	14,853.80	14,668.91	14,668.91
Non Current				
Trade Payables	43.23	43.23	37.09	37.09
Borrowings	-	-	-	-
Current				
Trade Payables	14,415.39	14,415.39	14,223.59	14,223.59
Others financial liabilities	395.18	395.18	408.23	408.23

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, primarily with respect to US Dollar

As at 31st March, 2022, the foreign currency exposure to the Company on holding financial liabilities (trade payables) amounted to Rs. 158.10 Lakhs (March 31, 2021 : Rs. 13.63 Lakhs).

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.164.48 Lakhs gain in the Statement of Profit and Loss (2020-21 : Rs. 14.89 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, 2022 (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, 2022 & 31st March, 2021 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. 2224.03 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	2021-22	2020-21
Opening Balance	2,075.82	1,354.25
Changes in loss allowance :		
Additional Provision	148.21	721.57
Closing Balance	2,224.03	2,075.82

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
As at March 31, 2022					
Trade Payables*	14,458.62	6,636.59	1,190.62	6,631.41	14,458.62
Other financial Liabilities	395.18	395.18	-	-	395.18
Total	14,853.80	7,031.77	1,190.62	6,631.41	14,853.80
As at March 31, 2021					
Trade Payables*	14,260.68	8,311.26	860.39	5,089.03	14,260.68
Other financial Liabilities	408.23	408.23	-	-	408.23
Total	14,668.91	8,719.49	860.39	5,089.03	14,668.91

* Trade Payable includes Rs. 9648.32 Lakhs as at March 31, 2022 (Rs. 9164.84 Lakhs as at March 31, 2021) 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, 2022 (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, 2022

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

As at March 31, 2021

	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO, Jaipur	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 31,2022

Particulars	Government of India	RIICO, Jaipur	Shri Rakesh Chopra	Shri Subhash Agrawal	Shri Amit Kumar Jain	Total
Balance						
Security Deposit	-	0.40	-	-	-	0.40

Transactions						
Remuneration	-	-	39.05	34.44	12.11	85.61

As at Mar 31,2021

Particulars	Government of India	RIICO, Jaipur	Shri Rakesh Chopra	Shri Subhash Agrawal	Shri Amit Kumar Jain	Total
Balance						
Trade Receivable	-	1.05*	-	0.77	-	1.82
Security Deposit	-	0.40	-	-	-	0.40

Transactions						
Remuneration	-	-	36.35	31.94	11.54	79.83
Supply, Installation and Commissioning of SPV Modules	-	-	1.21	1.19	-	2.40

* included in bad and doubtful debts written off.

Notes forming part of the Financial Statements for the year ended March 31, 2022 (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, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue						
External	6,356.33	6,551.16	10,134.26	8,193.04	16,490.59	14,744.20
Inter-Segment	-	-	-	-	-	-
Segment Revenue	6,356.33	6,551.16	10,134.26	8,193.04	16,490.95	14,744.20
Total Revenue						
Segment results	-935.96	-1,972.90	130.05	114.46	-805.91	-1,858.44
Interest income					117.82	101.25
Interest expenditure					60.76	147.76
Tax Expense					97.39	-627.22
Net Profit / (Loss)					-846.24	-1,277.73

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Segment assets	11,333.33	13,162.49	9,787.64	10,066.22	21,120.97	23,228.71
Unallocated Assets					4,539.98	4,035.31
Total assets					25,660.95	27,264.02
Segment liabilities	11,980.50	9,743.85	4,355.38	5,866.80	16,335.88	15,610.65
Unallocated Liabilities					9,325.07	11,653.37
Total liabilities					25,660.95	27,264.02

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Capital Expenditure for the year	-	3.14	2.09	10.61	2.09	13.75
Depreciation for the year	134.38	363.64	54.93	72.44	189.31	436.08

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

(II) Secondary - Geographical Segments :

Particulars	India		Outside India	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	16,490.59	14,744.20	-	-
Carrying Amount of Segment Assets	21,120.97	23,228.71	-	-
Capital Expenditure/Additions to Fixed Assets	2.09	13.75	-	-

35. Other notes annexed to and forming parts of the accounts for the year ended March 31, 2022

A. CIF value of imports

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw material & Components	257.50	297.07
Total	257.50	297.07

B. Expenditure in foreign currency

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Royalty	67.93	-
Professional Expenses	0.49	0.48
Business Promotion	-	0.21
Total	68.42	0.69

C. Earning in foreign exchange on FOB value

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Export Sales	3.35	-
Total	3.35	-

D.(i) Corporate Social Responsibility (2021-22)

- 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 (2020-21)

- 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, 2022	Year ended March 31, 2021
Revenue	378.97	308.17
Capital	-	2.77
Total	378.97	310.94

Notes forming part of the Financial Statements for the year ended March 31, 2022 (Contd.)

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

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i) The Principal amount remaining unpaid to supplier as at the end of accounting year.*	2,628.20	3,798.80
ii) The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-	-
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.	-	-
Total	2,628.20	3,798.80

* 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.

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. Differences are there between submitted figures to the bank and actual in monthly/quarterly reports due to time lag in adjustments and Balance Sheet adjustments carried out at year end.

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	31/3/2022	31/3/2021	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	1.16	1.18	-1.69%
(b)	Debt-Equity Ratio	Long Term Debt	Shareholder's Fund + Long Term Debt	-	-	-
(c)	Debt Service Coverage Ratio	EBDITA	INT+PRINCIPAL Interest means only term loan interest not WC Interest	-	-	-
(d)	Return on Equity Ratio	Net Earnings after Tax	Shareholder's Equity	-11.60%	-15.76%	26.40%
(e)	Inventory Turnover Ratio	Cost of Sales	Average Stock	4.66	3.27	42.51%
(f)	Trade Receivables Turnover Ratio	Credit Sales	Accounts Receivable	1.04	0.83	25.30%
(g)	Trade Payables Turnover Ratio	Credit Purchases	Accounts Payable	0.70	0.55	27.27%
(h)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	5.78	4.42	30.77%
(i)	Net Profit Ratio	Net Profit after Tax	Revenue from Operation	-5.13%	-8.67%	40.83%
(j)	Return on Capital employed	Earnings before Interest, Tax & Prior Period Item	Capital Employed	-9.43%	-21.67%	56.48%
(k)	Return on Investment	Net Profit after Interest, Taxes & Preference Dividends	Equity Share Capital plus Reserves	-11.60%	-15.76%	26.40%

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.

For Y. Chaturvedi & Co

Chartered Accountants
(FRN. 001912C)

Sd/-
(Govind Prasad Sharma)
Partner
Membership No. 71893

Place : Jaipur
Date : 29.09.2022
UDIN : 22071893AWQTGF9476

For and on the Behalf of Board of Directors

Sd/-
(Manish Shukla)
Director
DIN : 09648291

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

Sd/-
(Subhash Agrawal)
Chief Financial Officer