REIL

39th Annual Report 2020-2021

New Projects

E-Mobility

Informaton Technology

Renewable Energy

Dairy Electronics

Azadi Ka Amrit Mahotsav

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

(₹ in Lakhs)

PARTICULARS	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
OVERVIEW OF PROFIT					
HOW EARNED					
Sales Revenue	23036.60	24287.72	26931.33	11091.30	14744.20
Other Income	266.90	192.23	197.31	120.78	122.13
Total Turnover	**23303.50**	**24479.95**	**27128.64**	**11212.08**	**14866.33**
HOW SPENT/RETAINED					
Material Cost	14327.66	15280.36	17103.47	6112.10	8235.23
Employment Cost	2563.94	3351.75	3436.40	3528.35	3531.70
Excise Duty	187.06	31.63	0.00	0.00	0.00
Other Expenses	4121.21	4898.15	4856.70	4193.07	4420.50
Depreciation	183.27	188.13	188.13	183.27	436.08
Finance Costs	182.95	107.48	108.07	132.04	147.76
	21566.09	**23857.50**	**25692.77**	**14148.83**	**16771.27**
Net Profit/(Loss) before Tax	1737.41	622.45	1435.87	(2936.75)	(1904.94)
Profit/(Loss) after tax	1214.85	401.65	1027.90	(1706.63)	(1277.73)
Dividend (including tax)	590.00	295.00	295.00	-	-
WHAT WE OWN					
Fixed Assets					
Gross Block	4316.77	4531.74	5127.79	5711.81	5562.30
Less : Acumulated Depreciation	1468.46	1656.59	1843.74	2023.05	2305.41
Net Block	2848.31	2875.15	3284.05	3688.76	3256.89
Current, non-current Assets, and Deferred tax Assets	21131.36	27290.81	31894.06	23764.04	24007.13
	23979.67	30165.96	35178.11	27452.80	27264.02
Less : Deferred tax, Current and non-current Liabilities & Provision	12897.55	19022.33	23490.72	17999.12	19155.30
Capital employed	11082.12	11143.63	11687.39	9453.68	8108.72
REPRESENTED BY					
Share Capital	1225.00	1225.00	1225.00	1225.00	1225.00
Reserves & Surplus	9846.65	9710.53	10278.42	8168.15	6883.72
Net Worth	11071.65	10935.53	11503.42	9393.15	8108.72
Secured/Unsecured Loan	10.47	208.10	183.97	60.53	0.00
	11082.12	11143.63	11687.39	9453.68	8108.72

Contents

Board of Directors

Chairman & Director	:	Shri Ashutosh A.T. Pednekar
Managing Director	:	Shri Rakesh Chopra
Directors	:	Ms. Nidhi Chhibber Shri Ashok Pathak Shri Nirmal Kumar Jain
Auditors	:	M/s R. Sogani & Associates, Chartered Accountants, Jaipur (Raj.)
Bankers	:	Punjab National Bank L.C. Branch, M.I. Road, Jaipur.
Registered Office	:	2, Kanakpura Industrial Area, Sirsi Road, Jaipur – 302 034

CHAIRMAN'S STATEMENT

Dear Shareholders,

The previous year has indeed been a year of great challenge with the COVID-19 pandemic affecting economies across the globe, including the Indian economy. The pandemic also seriously affected company's performance. However, the Company has shown resilience in dealing with the situation and supplemented the national efforts while at the same time worked towards strengthening its own foundations for long term growth. Here, I want to pay our sincere gratitude to all frontline workers, who have been working tirelessly, combating COVID-19 and its ill effects. With the pandemic far from over, as we continue to face emerging threats from new variants, we all must put our best efforts together to sail through this uncharted territory.

It is an honor for me to address you again to share the performance highlights and achievements of your Company during the FY 2020-21 and its future outlook. During the financial year 2020-21, 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.

The prevailing turbulence in the global business environment has been impacting business and posing a major threat for growth. To combat the risks associated, the Company is foraying into new business areas and keeping pace with fast changing technological advancements. Also, the Government's emphasis on 'Make in India' and 'Atmanirbhar Bharat' initiatives in Renewable Energy and Electrical Vehicle Charging sector provides a great opportunity to enhance indigenization efforts and address the need generated in these sectors.

REIL provides technology solutions for qualitative & quantitative analysis of milk across all verticals of Dairy Industry sector through its milk analysis and automation solution, addresses energy needs of the rural and related urban sector through Solar Photo Voltaic and Information Technology & recently diversified in security surveillance applications, e-Mobility through setting-up of EV Charging infrastructure & Skill Development.

REIL as innovators across India have responded quickly to the challenge posed by the Covid-19 pandemic and developed In-house “Automatic Hand Sanitizer”.

HIGHLIGHTS OF THE YEAR

Your Company achieved a turnover of Rs.148.66 Crore during 2020-21 against Rs. 112.12 Crore in 2019-20, thereby registering a growth of 33%. The Company has incurred loss of Rs. 12.78 Crore as against a loss of Rs. 17.07 Crore in previous year, mainly due to low revenue generation. However, stringent budgetary control measures and prudent provisioning has helped in restricting the loss.

While the challenges continue, the situation is also throwing up a number of opportunities. The company believes that timely & high quality delivery of products & projects, aggressive efforts in emerging technologies, collaborative working with government, PSUs, private industry, R&D institutions and academia will be the foundations for building a strong future.

Your Company is holding the most prominent position in the Dairy Industry through its customer focused approach by way of ensuring prompt products deliveries and after sales support. The Company continuously provides best services to its customer through deployment of accurate and reliable testing equipment at village level / milk collection centre in the villages and strategically manpower deployment throughout the country. Digitization in dairy sector is also bringing utmost transparency for producers as well as consumers. REIL is continuously innovating such solutions, this year developed and deployed Milk Producers Mobile Application for Milk Producer Companies (MPCs).

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 challenges and opportunities Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on reducing the carbon footprint has accelerated growth of renewable capacity addition in the country and the renewable capacity targets have been revised to 450 GW and more by 2030. Many power sector reforms are being introduced by the Government for bringing efficiency and discipline in the sector including proposed amendment to Electricity Act. Along with this, new market mechanisms are under discussion to promote competition thereby providing affordable power to the consumers.

In Renewable Energy Sector, your Company has executed prestigious projects like SPV Rooftop systems for Residential sector in urban areas, SPV off-grid Agriculture pumps under KUSUM Scheme, PSU Synergy etc. and did significant business with organizations such as RREC, SECI, SAIL, HREDA, RHDS, SYNGENTA, PFC, MECL, NMDC, BREDA, SBPDCL, PEDA, UREDA and other private players.

The Company was awarded “10th PSE Excellence Award" in the Research and Development (R&D) and Innovation category” by Governance Now.

The Company believes in setting standards of transparency and sound systems. Your Company is committed to sound corporate practices based on conscience, transparency, fairness, professionalism, and accountability. The Company has also actively participated digitally and sensitized the employees to be part of missions of the Government like Swachh Bharat Abhiyan, Swachhta Hi Sewa- Abhiyaan, Digital India and Skill Development etc. by motivating the employees and organizing the Cleanliness drive, training prorgammes and business innovation across the campus etc.

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 : 27.12.2021 Sd/-

Place : Jaipur **CHAIRMAN**

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 39th Annual Report on the business and operations of the Company together with the audited Financial Statements for the financial year ended March 31, 2021.

During the year the Company has achieved turnover of Rs. 148.66 Crore i.e. an increase of 33% over previous F.Y. 2019-20. The Company has incurred a loss of Rs. 12.78 Crore as against a loss of Rs. 17.07 Crore in previous year, mainly due to low revenue generation. However, stringent budgetary control measures and prudent provisioning has helped in restricting the loss. The raging pandemic is posing formidable and unprecedented challenges across the business value chain. Team REIL is facing the headwinds, taking nimble footed decisions and executing them with speed to meet the current challenges on the ground as well as remain firmly on course for long term sustainable growth.

The year gone by started with an unprecedented nation-wide lockdown due to pandemic which negatively impacted the economic activities across the globe. Post relaxation of lockdown economic activities gradually started picking up from mid May 2020. Economic environment continues to remain uncertain and challenging owing to COVID and partial lockdowns across the country. However, we as an organisation remain vigilant to the ground developments with confidence and optimism to manage emerging scenarios.

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 it 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	2020-21	2019-20
1.	Turnover & Other Income	**14866**	11212
2.	Material Cost	**8235**	6112
3.	Employment Cost	**3532**	3528
4.	Other Revenue Expenses	**4421**	4193
5.	Gross Margin (PBDIT)	**(1321)**	(2622)
6.	Profit Before Tax (PBT)	**(1905)**	(2937)
7.	Net Worth	**8109**	9393

STATUS OF COMPANY'S AFFAIRS

The Company will enter into the Performance MoU with Department of Heavy Industry (DHI), Ministry of Heavy Industries (MoHI), Government of India to set the performance targets for the year 2021-22.

Solar in Dairy is the best solution that enables hassle-free operation especially in power starved areas. In its regular effort towards incorporating Solar in Dairy, the Company has received orders for 260 nos. Solar Power packs of varying capacities, from J&K and Northern region. REIL's active move towards digitization and error-free dairying has strengthened the farmers' confidence and improved their lives by bringing transparency and ease-of-work in day-to-day operations through technology.

As an innovator, The Company responded quickly to the challenge posed by COVID-19 pandemic and developed in-house AHS (Automatic Hand Sanitizer) and deployed these at discrete locations.

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.

In line with Smart Cities Mission of the Government, REIL being nodal agency, received orders for “Design, Supply, Installation, Testing & Commissioning of 1.5 MWp Grid Connected Solar Power Plants at various Govt. Buildings in Jaipur, Rajasthan.

Under PM-KUSUM Scheme, REIL has successfully executed 473 Nos. of 10 HP SPV Water Pumping Systems at various locations in Haryana through HAREDA and 250 Nos. of 7.5 HP SPV Water Pumping Systems at various locations in Rajasthan through RHDS.

After successful implementation of project in Rajasthan for Energy Efficient LED Lights under Street Light National Program (SLNP), The Company has grabbed prestigious order from Haryana for PMC of retrofitting of Conventional Street Lights with Energy Efficient LED Lights under JAGMAG SHEHAR SCHEME of the government of Haryana **with an expected revenue of Rs 4 Crore per year over a period of 10 years.**

REIL in its role as Project Management Consultant (PMC) & Annual Maintenance Consultant (AMC) for EESL has successfully installed and maintaining total 320277 Nos. LED lights under Street Light National Program (SLNP). Under FAME Scheme 347 Nos. of Electric Vehicle Charging Stations have been operationalized against LoI of 1061 from DHI.

In the direction of digital India policy, ease of business and transparency among all the stakeholders and smooth operation for timely services to the customers, the Company has designed, developed and implemented application for on-line bill tracking software.

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.

INDIAN ACCOUNTING STANDARDS (Ind AS)

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2021 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

DIVIDEND

As the Company has posted Loss for the F.Y. 2020-21, 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, 2021.

TRANSFER FROM GENERAL RESERVES

It is proposed to transfer Rs.13.00 Crore from General Reserve of the Company to retained earnings for the year 2020-21.

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

Ms. Nidhi Chhibber, Addl. Secretary, Ministry of Heavy Industries, GoI, New Delhi, has been appointed as nominee Director w.e.f. 15.06.2021

Ms. Sujata Sharma, Senior Economic Advisor, Ministry of Heavy Industries, GoI, New Delhi, ceased to be Director of the Company w.e.f. 15.06.2021 consequent upon her superannuation.

The Board of Directors places on record the deep appreciation of the valuable services rendered as well as advice and guidance provided by Ms. Sujata Sharma, during her 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.

- “10th PSE Excellence Award" in the Research and Development (R&D) and Innovation category” by Governance Now.
- Best Employer Award 2019 instituted by Employer Association of Rajasthan for 11th time in series.
- Shri Rakesh Chopra, Managing Director, REIL conferred with “CEO with HR Orientation Award”.
- Order of Merit from SKOCH for inspirational and transformational performance during COVID 19.
- National Productivity Week organized by National Productivity Council Jaipur from 12.02.2021 to 18.02.2021 with the theme “Udyog Manthan for Productivity”.
- “Plenary session: Journey towards Sustainable Transport” during Virtual conference on future of mobility organized by FICCI on 26.08.2020.
- Session on “Current Policy and regulatory regime in Rajasthan for Solar & Path Ahead” during Video conference on “Developing Rajasthan as Solar Components Manufacturing Hub in India” organized by PHD Chamber 0n 08.09.2021.
- Webinar on business opportunities and technological advancement in dairy value chain organized by MSME-Development Institute, Jaipur, REIL, NDRI & World Trade Center Jaipur in association with IDA, Rajasthan Chapter on 25.09.2020.
- Technical Session on “Policies for scaling up E-mobility infrastructure” during Go Electric Campaign by Ministry of Power and BEE at Vigyan Bhawan, New Delhi on 19.02.2021.
- 6th edition of India International Science Festival (IISF)-2020 organized by the Ministry of Science & Technology, Ministry of Earth Sciences, and Ministry of Health & Family Welfare in association with Vijnana Bharati (VIBHA) in virtual mode on 23.12.2020.

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 and has been re-certified by DNV GL confirming to the International Standards ISO 9001: 2015 & ISO 14001:2015 respectively.

PRODUCTION

The Company has produced 9095 Nos. of Electronic Milk Analysers as compared to previous year 8611 Nos. and 15.65 MW (59425) of Solar Photovoltaic Modules as compared to the previous year of 5.18 MW (40135).

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. The Company has been issued UDYAM registration certificate by Ministry of Micro, Small and Medium Enterprises in MEDIUM category.

REIL is regularly developing support industries by participating in the vendor development programmes organized by MSME from time to time. Procurement from MSMEs during 2020-2021 was of Rs. 22.66 crore. The Company has procured approximately 1% 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 : 1
2. Number of Complaints disposed off : 1

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) DEVELOPMENT OF ELECTRONIC MILK ANALYZER WITHOUT CALIBRATION.

Electronic Milk analyzer used for the milk quality analysis requires the calibration at the field level. To eliminate the problem of wrong calibration due to human/ environmental behavior, calibration of Electronic milk analyzers are done during manufacturing. In milk analyzer three types of calibration have been incorporated – one for the buffalo milk, one for the cow milk and another one for the mix milk. Calibrations of all the three channels are done during manufacturing only.

b) BMC AUTOMATION UNIT

BMC Data logger is designed for online monitoring critical parameters of milk temperature and volume stored at BMC with the objective to protect the milk from getting sour and spill over. The real time data of milk stored at various BMC help in better management of milk at Dairy.

In addition it also provide near real time data of compressor, agitator, generator and grid supply. Alarms are also devised for emergency conditions. Web and mobile application has been developed to monitor various parameters related to BMC and to provide daily, weekly and Monthly reports.

c) STIRRER

Ultrasonic Milk Stirrer is the essential equipment for testing the quality of milk in collection units. For the cost optimization and in-house manufacturing development of the stirrer was started. This is specially designed to completely remove air bubbles from fresh milk prior to its testing for error free reading of parameters in Milk analyzers. The body of the stirrer is ideal for dusty and humid environment with excellent capability to operate under wide temperature range.

Product up gradation

1. EMAT without buffer;
2. Milk Analyzer Sensor of SL20
3. Major Accounting feature added in the ADVDPU for the UCDF software;
4. Firmware Over The Air (FOTA) in BMC/ADVDPU for the remote firmware update;
5. REIL USB Module for the cost optimization;
6. Development of Next generation DPU on IoS/Android platform; and
7. Development of mobile application for milknet and other various products on IoS platform.

Patents & IPR

R&D has filed the response to the review received from Indian Patent Office regarding the innovation of Control & Data Acquisition System for Monitoring & Storing Milk Collection Data and Digital EMT. REIL R&D has received the patent of the Control & Data Acquisition System for Monitoring & Storing Milk Collection Data on 18/07/2020 vide Patent Number 341940.

R&D Expenditure

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

		(Rs. in Lakh)
(a)	Capital	2.77
(b)	Revenue	308.17
(c)	Total	**310.94**

(d) Total R&D expenditure, as a percentage of total turnover, stood at 2.09%

Foreign Exchange Earnings and Outgoings

During the year the Company has used total foreign exchange worth of Rs. 297.00 Lakh.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21

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, 2021, 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 19th June, 2020, 16th September, 2020, 24th December, 2020 and 24th March, 2021 respectively.

The details of composition of the Board as at 31.03.2021, 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 24.12.2020	No. of Directorships in other Public Companies	No of Committee positions held in Public Companies	
					Member	Chairman
Shri Ashutosh A.T. Pednekar	Chairman (Part Time)	4	Present	9	--	--
Shri Rakesh Chopra	Managing Director	4	Present	NIL	--	--
Shri Ashok Pathak	Director (Part time)	4	Present	NIL	--	--
Shri A. K. Panda	Director (Part time) (up to 11.08.2020)	1	N.A.	NIL	--	--
Smt. Sujata Sharma	Director (Part time) (w.e.f 11.08.2020)	3	Present	3	--	--
Shri M. L. Bhargava	Independent Director	4	Present	1	--	--
Shri Nirmal Kumar Jain	Independent Director	4	Present	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, four Audit Committee Meetings were held on 19th June, 2020, 16th September, 2020, 24th December, 2020 and 24th March, 2021 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	4
Shri Rakesh Chopra	Managing Director	4
Shri Ashok Pathak	Director (Part Time)	4
Shri N. K. Jain	Independent Director	4

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

1. 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:

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of employees. Human Resource policies and processes stay relevant to the changing environment and ensure compliance with the changing rules and regulations from time to time.

At the close of financial year 2020-21 the total number of employees on permanent rolls of the company is 222.

Promotion of Hindi Language

The Company is continuously making vigorous efforts for the propagation and successful implementation of the Official Language Policy. Various competitions, prizes and incentives were declared by the Company for promoting the use of Hindi language in the fortnight long “Hindi Pakhwada”. The Company has been assigned charge of Chairmanship of Nagar Rajbhasha Karyanvyan Samiti (Uprakm) Jaipur by the Government of India, Ministry of Home Affairs, Department of Official Language.

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 2020-21 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. During the year 2020-21, the Company has donated Rs. 6.00 Lakhs in PM Care's relief fund for COVID-19 pandemic.

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

To the best of knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

I. that in the preparation of the annual accounts for the financial year ended 31st March, 2021, 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 2020-21 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, 2021 on a 'going concern' basis'

V. that the Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

VI. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATUTORY AUDITORS

The Comptroller & Auditor General of India (CAG) has appointed M/s R Sogani & Associates, Jaipur as Statutory Auditors of the Company for the Financial Year 2020-21.

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, 2021 had 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 2021-22.

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.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date : 27.12.2021 Sd/-

Place : Jaipur **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

COVID-19 pandemic impaired economic activity last year across the board with global growth expected to contract at -3.3% in 2020 as against 2.8% growth in 2019. Contraction of economic activity has been unprecedented but worse has been avoided thanks to the fiscal and the monetary support extended by the authorities across the world. Central banks provided liquidity support along with various credit extension policies to a wide range of borrowers. This was augmented with the government measures to support households and firms through a number of measures, including transfers, wage subsidies, liquidity support and other safety nets such as unemployment insurance and nutrition assistance. All these measures enabled increased momentum of economic activity in the second half of the year. Overall, notwithstanding the second wave of COVID-19, Indian economy, through its resilience, is poised for a recovery in FY2022.

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

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. 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 about 4000 Milk Analysis solutions in the year taking cumulative deployment to over 2.45 Lakh.

Designed and developed Milk Producers Mobile Application on android platform to make things easier for producers as well as consumers through digitization and deployed the application for esteemed Milk Producers like Baani, Shreeja, Sakhhi, Asha, Ruhani, Saahaj etc. As of now over 3.5 Lakh farmers are registered on server and over 1 Lakh farmers are using the application and 6.5 Lakh milk producers are registered on 10 MPCs.

Under "Roof top Solar Power Generation Scheme 2019-20" in Rajasthan, received a Rate contract for Design, Supply, Installation, testing, commissioning and maintenance for 5 years for Grid Connected SPV Power Plants with total capacity of 1.5 MW under CFA scheme for Residential Sector. Similar rate contract was signed for Bihar and Uttrakhand. Residential Rooftop Systems in Urban areas worth Rs. 8 Crore were deployed during the year that will be benefiting 456 residents.

The Company has further extended its wings for CSR business in PSUs and executed CSR Projects for various PSUs. During the Year more than 6400 nos. SPV Systems including Lanterns, SLS and Off Grid SPV Power Plants were supplied and installed under CSR activity of PFC and other PSUs and achieved business of Rs. 5.74 Cr from this segment.

The Company rolled out project for 13.092 MW Solar power plants at various sites of different Ministries & Departments across the country under RESCO Model without Incentive Scheme as Project Management Consultant (PMC). This includes 4.5 MW Ground Mounted Solar power plants at HCL, Malajkhand (MP) and 4.8 MW Ground Mounted Solar power plants at Prasar Bharati , New Delhi with virtual net metering.

During the year, the Company has executed several projects under various schemes like Roof Top Schemes, PM - KUSUM Scheme, Smart City Mission, Vidhan Sabha Project and CSR Projects.

The Company as a Nodal Agency under Smart Cities Mission of the government, installed SPV Rooftop systems valuing Rs. 4.31 Crore at 32 nos. buildings. The Company has also been reappointed as State Level Agency (SLA) for Election Department, Rajasthan for Electoral Roll Management for next Five Years.

Annexure-A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2021

[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	12th 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	55.57
2.	Solar Photovoltaic Modules / Systems.	3510- Electric power generation, transmission and distribution	44.43

** 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 01-04-2020)				No. of Shares held at the end of the year (As on 31-03-2021)				% 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	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
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 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):-	N.A.	0	0	0.00	N.A.	0	0	0.00	0.00
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 01-04-2020)			Shareholding at the end of the year (As on 31-03-2021)			% 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, 2021 (Please specify, if there is no change)

Name	Shareholding at the beginning of the year (As on 01-04-2020)		Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
	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)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Top 10 Shareholders	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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Directors and KMP	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	187.19	Nil	Nil	187.19
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**187.19**	**Nil**	**Nil**	**187.19**
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	187.19	Nil	Nil	187.19
Net Change	**(187.19)**	**Nil**	**Nil**	**(187.19)**
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	 33.56 -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify…	-
5.	Others i.e. PF and Pension	2.79
	Total (A)	36.35

B. Remuneration to other Directors :

SL. No.	Particulars of Remuneration	Name of Directors	
		Shri M. L. Bhargava	Shri Nirmal Kumar Jain
1.	Independent Directors ● Fee for attending board / committee meetings ● Commission ● Others, please specify	0.64	0.64
	Total (1)	**0.64**	**0.64**
2.	Other Non-Executive Directors ● Fee for attending board / committee meetings ● Commission ● Others, please specify	Nil	Nil
	Total (2)	**Nil**	**Nil**
	Total (B) = (1+2)	**0.64**	**0.64**
	Total Managerial Remuneration		

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	29.51	10.62	40.13
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify…		-	-	-
5.	Others i.e. PF and Pension		2.43	0.92	3.35
	Total		**31.94**	**11.54**	**43.48**

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, 2021

The preparation of financial statements of Rajasthan Electronics & Instruments Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 Report dated 21 October, 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rajasthan Electronics and Instruments Limited for the year ended 31 March, 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

Sd/-
(Vidhu Sood)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place : New Delhi
Dated :09.12.2021

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 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date, and notes to the Financial Statements, including a summary of Significant Accounting Policies and Other Explanatory Information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements 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 and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2021, 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 thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following:

(a) Note No. 4.2 to the Financial Statements regarding impairment loss booked of Rs 1.79 crores of wind power project as per Ind AS 36.

(b) Note No. 4.3 to the financial statements regarding capitalization of Capital work in progress amounting to Rs.18.91 crores (building Rs.14.95 crores and furniture & fixtures, office equipment and computer and printer amounting to Rs.3.95 crores).

(c) Note No 7.1 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.

(d) Note No. 8.1 regarding Deferred Tax Assets of Rs. 16.59 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.

(e) Note No 20.1 with respect to the amount due to M/s Suntech Industries (amount due Rs 31.36 Crores) on account of non-fulfillment of contractual obligations by the vendor.

(f) Note No 21.1.2 regarding non-disclosure of contingent liability of interest claim by an MSME vendor (M/s Gansun Global Solutions India Private Limited) on an amount of Rs.14.75 lacs as the amount of interest is not ascertainable.

(g) Note No 26.1& 18.2 which states that during the year the Company reassessed its medical expenses reimbursement policy with reference to IND AS 19 and has recognized a defined benefit liability of Rs. 2.56 crores as per the actuarial valuation pertaining to the same.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives is 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.

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, 2016 (“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 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"**.

(g) 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.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 21.1 (b) and (c) and Note 36 (G) to theFinancial 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.

For R. Sogani & Associates
Chartered Accountants
(FRN. 018755C)

Sd/-
(Bharat Sonkhiya)
Partner
Membership No. 403023

Place : Jaipur
Dated : 21.10.2021
UDIN : 21403023AAABKI7610

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 2021

As required by the Companies (Auditor's Report) Order, 2016 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) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(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, title deeds of immovable properties are held in the name of the Company.

(ii) In respect of its inventories:

(a) According to information and explanation given to us, the inventory has been physically verified by the management at reasonable intervals during the year.

(b) According to information and explanation given to us, no material discrepancies were noticed on such physical verification.

(iii) In respect of loans:

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

(iv) 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. 83,58,410 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.

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 status	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

(viii) In respect of repayment of dues:

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any outstanding dues in respect of Financial Institution or debenture holders during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purpose for which they were obtained.

(x) 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.

(xi) In respect of Managerial Remuneration:

The Provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable to Government Companies.

(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) In respect of Preferential Allotment / Private Placement of Shares:

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

(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 as referred to in section 192 of The Companies Act, 2013.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. Sogani & Associates
Chartered Accountants
FRN No. 018755C

Sd/-
Bharat Sonkhiya
Partner
Membership No. 403023

Place : Jaipur
Dated : 21.10.2021
UDIN : 21403023AAABKI7610

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 2021

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, 2021:-

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. Accordingly, 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 utilized the government grant on sale of EV Chargers to Tata Power amounting Rs.3.45 crores and the same was reversed because the conditions of Ind AS 20 were not complied with.The sanction is regulated through an online platform PFMS wherein the Company's savings account has been registered for transmitting the funds as well as for utilization of funds.	NIL

For R. Sogani & Associates
Chartered Accountants
FRN No. 018755C

Sd/-
Bharat Sonkhiya
Partner
Membership No. 403023

Place : Jaipur
Dated : 21.10.2021
UDIN : 21403023AAABKI7610

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 2021

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, 2021 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, 2021:

(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 system for obtaining external confirmation from Trade Receivables and Trade Payables on periodic basis. Hence, the same have not been made available to us and we are unable to comment on the operating effectiveness of this system.

(c) The Company do not have appropriate system for identification and categorization of its vendors into Micro, Small and Medium Enterprises as required under MSMED Act, 2006 and other related aspects.

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, 2021, 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, 2021.

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, 2021 Financial Statements of the Company, and these material weaknesses do not affect our opinion on the Financial Statements of the Company.

For R. Sogani & Associates
Chartered Accountants
FRN No. 018755C

Sd/-
Bharat Sonkhiya
Partner
Membership No. 403023

Place : Jaipur
Dated : 21.10.2021
UDIN : 21403023AAABKI7610

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March 2021 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.

For R. Sogani & Associates
Chartered Accountants
FRN No. 018755C

Sd/-
Bharat Sonkhiya
Partner
Membership No. 403023

Place : Jaipur
Dated : 21.10.2021
UDIN : 21403023AAABKI7610

BALANCE SHEET
AS AT 31st MARCH 2021

(All amounts in ₹ , unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current Assets			
(a) Property, plant and equipment	4	32,56,88,578	17,97,72,417
(b) Capital work-in-progress	4	-	18,91,03,090
(c) Intangible assets			
(i) Technical Know How	5	-	-
(d) Financial assets			
(i) Trade receivables	6	2,44,98,656	3,05,23,325
(ii) Other financial assets	9A	1,09,57,037	69,34,319
(e) Deffered Tax Asset (Net)	8	16,58,72,977	10,26,24,924
(f) Other non-current assets	12A	65,929	4,57,612
Total Non-current Assets		**52,70,83,177**	**50,94,15,687**
II. Current Assets			
(a) Inventories	10	23,20,08,445	27,15,53,876
(b) Financial assets			
(i)Trade receivables	7	1,75,73,96,749	1,79,64,29,314
(ii) Cash and cash equivalents	11	8,67,06,967	12,54,293
(iii) Bank balances other than (ii) above	11A	1,76,83,760	3,41,46,470
(iv) Other financial assets	9B	3,16,59,427	4,31,45,655
(c) Current tax assets (Net)	13	6,55,80,687	4,66,93,357
(d) Other current assets	12B	82,83,034	4,26,41,239
Total Current Assets		**2,19,93,19,069**	**2,23,58,64,204**
Total Assets (I + II)		**2,72,64,02,246**	**2,74,52,79,890**
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	14	12,25,00,000	12,25,00,000
(b) Other Equity	15	68,83,72,331	81,68,15,418
Total Equity		**81,08,72,331**	**93,93,15,418**
LIABILITIES			
II. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16A	-	60,53,258
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	20A	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	20A	37,08,996	39,37,203
(b) Provisions	18A	2,72,91,990	26,79,999
(c) Other non-current liabilities	19A	2,88,86,633	2,69,60,356
Total Non-current Liabilities		**5,98,87,619**	**3,96,30,816**
III. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16B	-	9,74,59,347
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	20B	37,98,79,974	32,65,87,971
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	20B	1,05,24,66,593	1,02,55,45,400
(iii) Other financial liabilities	17	3,08,35,414	4,16,65,284
(b) Other current liabilities	19B	31,42,03,203	21,51,81,370
(c) Provisions	18B	7,82,57,112	5,98,94,285
Total Current Liabilities		**1,85,56,42,296**	**1,76,63,33,657**
IV. Total Liabilities (II + III)		**1,91,55,29,915**	**1,80,59,64,473**
Total Equity and Liabilities (I + IV)		**2,72,64,02,246**	**2,74,52,79,891**

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

As per our separate report of even date
For R Sogani & Associates
Chartered Accountants
FRN 018755C
Sd/-
(BHARAT SONKHIYA)
Partner
M. No. 403023

Place: Jaipur
Date: 21.10.2021
UDIN: 21403023AAABKI7610

For and on behalf of the Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

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

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ , unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
I. Revenue from Operations	**22**	1,47,44,20,173	1,10,91,30,454
II. Other income	**23**	1,22,12,999	1,20,77,586
III. Total Income (I + II)		**1,48,66,33,172**	**1,12,12,08,040**
IV. Expenses			
Cost of material consumed	**24**	81,84,48,531	67,29,37,799
Change in inventories of finished goods	**25**	50,74,332	(6,17,27,337)
Employee benefits expense	**26**	35,31,69,447	35,28,35,487
Finance costs	**27**	1,47,76,219	1,32,04,146
Depreciation, Impairment and amortisation expenses	**28**	4,36,08,080	1,83,26,997
Other expenses	**29**	44,20,50,925	41,93,07,245
Total expenses		**1,67,71,27,534**	**1,41,48,84,337**
Profit / (Loss) before exceptional items and tax (III-IV)		**(19,04,94,362)**	**(29,36,76,297)**
Add: Exceptional items		-	-
V. **Profit / (Loss) before tax**		**(19,04,94,362)**	**(29,36,76,297)**
VI. **Less: Tax expense**	**30**		
1. Current tax		-	-
2. Provision Reversal		2,50,784	(2,13,01,825)
3. Deferred tax		(6,29,72,579)	(10,17,11,146)
Total Tax Expense		**(6,27,21,795)**	**(12,30,12,971)**
VII. **Profit / (Loss) for the year (V - VI)**		**(12,77,72,567)**	**(17,06,63,326)**
VIII. **Other Comprehensive Income**			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(9,45,994)	(1,52,75,462)
B (i) Income tax relating to items that will not be reclassified to profit or loss		2,75,474	44,48,214
Total other comprehensive income (VIII=A (i)+B(i))		**(6,70,520)**	**(1,08,27,248)**
IX. **Total comprehensive income for the year (VII+VIII)**		**(12,84,43,087)**	**(18,14,90,574)**
Earnings per equity share	**31**		
(1) Basic (in Rs.)		(10.43)	(13.93)
(2) Diluted (in Rs.)		(10.43)	(13.93)

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

As per our separate report of even date
For R Sogani & Associates
Chartered Accountants
FRN 018755C
Sd/-
(BHARAT SONKHIYA)
Partner
M. No. 403023

Place: Jaipur
Date: 21.10.2021
UDIN: 21403023AAABKI7610

For and on behalf of the Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

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

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2021

(All amounts in ₹ , unless otherwise stated)

		Year ended March 31, 2021	Year ended March 31, 2020
A.	**Cash flows from operating activities**		
	Profit/(Loss) for the year	(12,77,72,567)	(17,06,63,326)
	Adjustments for:		
	Income tax expense recognised in profit or loss	(6,27,21,795)	(12,30,12,971)
	Allowances for bad debts	7,21,57,016	9,07,92,139
	Loss/(profit) on sale of property, plant and equipment	6,34,102	-
	Assets Written Back	2,35,673	-
	Penalty Ag. Late Supply - SPV	1,79,69,912	-
	Finance costs recognised in profit or loss	1,47,76,219	1,32,04,146
	Interest income recognised in profit or loss	(1,00,29,622)	(1,13,46,445)
	Depreciation and amortisation	2,56,67,798	1,83,26,997
	Impairment of assets	1,79,40,282	-
	Cash generated from operations before working capital changes	**(5,11,42,982)**	**(18,26,99,460)**
	Movements in working capital:		
	(Increase) / Decrease in trade receivables	(2,70,99,782)	91,52,21,404
	(Increase) / Decrease in other assets	4,08,54,828	(1,98,72,938)
	(Increase)/Decrease in inventories	3,95,45,431	(7,70,01,405)
	Increase/ (Decrease) in trade payables	7,99,84,989	(52,61,01,587)
	Increase/(Decrease) in provisions	4,29,74,818	(1,01,16,361)
	Increase/(Decrease) in other payables	9,01,18,241	(11,03,63,051)
		26,63,78,525	**17,17,66,062**
	Cash generated from operations	21,52,35,543	(1,09,33,398)
	Income Taxes Paid	**(2,02,32,743)**	**(3,70,74,244)**
	Net cash generated by operating activities	**19,50,02,800**	**(4,80,07,642)**
B.	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(13,74,842)	(5,65,41,137)
	Proceeds from disposal of property, plant and equipment	83,918	1,47,824
	Interest Income	1,00,29,622	87,09,173
	Net cash (used in)/generated by investing activities	**87,38,698**	**(4,76,84,140)**
C.	**Cash flows from financing activities**		
	Proceeds from Borrowings	-	9,74,59,347
	Repayment of borrowings	(10,35,12,605)	(1,25,00,000)
	Dividends paid on equity shares	-	(2,45,00,000)
	Dividend Tax Paid	-	(50,36,030)
	Finance cost paid	(1,47,76,219)	(1,55,49,889)
	Net (used in)/ generated in financing activities	**(11,82,88,824)**	**3,98,73,428**
	Net increase/ (decrease) in cash and cash equivalents	8,54,52,674	(5,58,18,354)
	Cash and cash equivalents at the beginning of the year*	12,54,293	5,70,72,647
	Cash and cash equivalents at the end of the year*	**8,67,06,967**	**12,54,293**
	Reconciliation of Cash and Cash Equivalents		
	Cash and cash equivalents as per Cash Flow Statement	8,67,06,967	12,54,293
	Difference		-
	Cash and cash equivalents as per Balance Sheet (Refer Note No. 11)	8,67,06,967	12,54,293

*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 the Grant of Rs. 8,15,08,000 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 R Sogani & Associates
Chartered Accountants
FRN 018755C
Sd/-
(BHARAT SONKHIYA)
Partner
M. No. 403023

Place: Jaipur
Date: 21.10.2021
UDIN: 21403023AAABKI7610

For and on behalf of the Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

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

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

(All amounts in ₹ , unless otherwise stated)

a. Equity share capital	No. of shares	Amount Period Ended
Balance as at 01.04.2019	1,22,50,000	12,25,00,000
Changes in equity share capital during the year	-	-
Balance as at 31.03.2020	**1,22,50,000**	**12,25,00,000**
Changes in equity share capital during the year	-	-
Balance as at 31.03.2021	**1,22,50,000**	**12,25,00,000**

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

	Reserves and surplus		Items of other comprehensive income	
b. Other equity	**General reserve**	**Retained earnings**	**Remeasurement of Net Defined Benefit Plan**	**Total**
Balance as at March 31, 2020	81,23,45,363	2,82,55,458	(2,37,85,403)	81,68,15,418
Profit/(Loss) for the year	-	(12,77,72,567)	-	(12,77,72,567)
Other comprehensive income for the year, net of income tax	-	-	(6,70,520)	(6,70,520)
Total comprehensive income for the year	**-**	**(12,77,72,567)**	**(6,70,520)**	**(12,84,43,087)**
Payment of dividends	-	-	-	-
Tax on Dividend	-	-	-	-
Transfer from General Reserve	(13,00,00,000)	(13,00,00,000)	-	-
Balance as at March 31, 2021	**68,23,45,363**	**3,04,82,891**	**(2,44,55,923)**	**68,83,72,331**

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

	General reserve	Retained earnings	Remeasurement of Net Defined Benefit Plan	Total
Balance as at March 31, 2019	1,02,23,45,363	1,84,54,814	(1,29,58,155)	1,02,78,42,022
Profit for the year	-	(17,06,63,326)	-	(17,06,63,326)
Other comprehensive income for the year, net of income tax	-	-	(1,08,27,248)	(1,08,27,248)
Total comprehensive income for the year	**-**	**(17,06,63,326)**	**(1,08,27,248)**	**(18,14,90,574)**
Payment of dividends	-	(2,45,00,000)	-	(2,45,00,000)
Tax on Dividend	-	(50,36,030)	-	(50,36,030)
Transfer from General Reserve	(21,00,00,000)	21,00,00,000	-	-
Balance as at March 31, 2020	**81,23,45,363**	**2,82,55,458**	**(2,37,85,403)**	**81,68,15,418**

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

As per our separate report of even date
For R Sogani & Associates
Chartered Accountants
FRN 018755C
Sd/-
(BHARAT SONKHIYA)
Partner
M. No. 403023

Place: Jaipur
Date: 21.10.2021
UDIN: 21403023AAABKI7610

For and on behalf of the Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

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

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

General Information & Significant Accounting Policies forming part of Financial Statements for the year ended March 31, 2021

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 and Public Enterprises, Government of India and is a Mini Ratna PSU. REIL is in the business of Electronic Milk Analyzers and Solar Energy Equipment with minor interest in Wind Power, Information Technology, Industrial Electronics and Electric Vehicle Charging Station.

2. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

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 anasset 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.

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 s 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' 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 Dividends

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.

For R Sogani & Associates
Chartered Accountants
FRN 018755C

Sd/-
(BHARAT SONKHIYA)
Partner
M.No. 403023

Place : Jaipur
Date : 21.10.2021

For and on the Behalf of Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

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

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)
Note : 4 Tangible Assets

Current 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	Adju-stm-ents	Dispo-sals	Balance at March 31, 2021	Balance as at April 1, 2020	Adju-stm-ents	Deprecia-tion expense	Impair-ment	Dispo-sals	Balance at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Property plant and equipment													
Vehicles	31,81,050	-	-	5,86,322	**25,94,728**	17,84,777	-	3,08,124	-	5,57,005	**15,35,896**	**10,58,832**	13,96,273
Road, Drains & water supply	27,31,764	-	-	-	**27,31,764**	25,95,175	-	-	-	-	**25,95,175**	**1,36,589**	1,36,589
Building	3,43,12,221	14,95,31,045	-	-	**18,38,43,266**	1,60,46,833	-	55,87,948	-	-	**2,16,34,781**	**16,22,08,485**	1,82,65,388
Furniture and fixtures	1,26,08,543	3,07,19,034	-	-	**4,33,27,577**	1,02,53,381	-	34,09,311	-	-	**1,36,62,692**	**2,96,64,885**	2,3,55,161
Office Equipment	99,83,020	96,37,854	-	-	**1,96,20,874**	80,50,775	-	12,65,031	-	-	**93,15,806**	**1,03,05,068**	19,32,245
Wind Power Project	5,80,00,000	-	-	-	**5,80,00,000**	3,49,17,180	-	22,42,536	1,79,40,282	-	**5,50,99,998**	**29,00,002**	2,30,82,820
Temporary Structure	26,13,392	-	-	-	**26,13,392**	26,13,392		-	-	-	**26,13,392**	**-**	-
Plant and Machinery-Imported	16,35,90,518	-	-	1,15,45,189	**15,20,45,329**	7,20,50,790	-	94,13,542	-	1,09,67,930	**7,04,96,402**	**8,15,48,927**	9,15,39,728
Plant and Machinery-Indigenous	5,11,80,436	-	28,04,940	10,72,676	**4,73,02,820**	2,53,99,908	26,14,834	24,19,995	-	9,99,500	**2,42,05,569**	**2,30,97,251**	2,57,80,527
Computer and Printers	2,38,79,028	5,90,000	45,566	2,71,640	**2,41,51,822**	1,97,44,448	-	8,92,746	-	2,33,372	**2,04,03,822**	**37,48,000**	41,34,580
Leasehold Premises													
Land	1,27,27,973	-	-	-	**12,727,973**	15,78,867	-	128,565	-		**17,07,432**	**1,10,20,541**	1,11,49,106
Subtotal	**37,48,07,945**	**19,04,77,933**	**28,50,506**	**1,34,75,827**	**54,89,59,545**	**19,50,35,528**	**26,14,834**	**2,56,67,798**	**1,79,40,282**	**1,27,57,807**	**22,32,70,967**	**32,56,88,578**	**17,97,72,417**
Capital work-in-progress	18,91,03,090	-	**18,91,03,090**	-	-	-	-	-	-	-	-	**-**	18,91,03,090
Total	**56,39,11,035**	**19,04,77,933**	**19,19,53,596**	**1,34,75,827**	**54,89,59,545**	**19,50,35,528**	**26,14,834**	**2,56,67,798**	**1,79,40,282**	**1,27,57,807**	**22,32,70,967**	**32,56,88,576**	**36,88,75,507**

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

4.2 The wind power project has remained idle for many years so in accordance with IND AS 36, "Impairment of Assets", The company has performed impairment testing and the recoverable amount of Wind Power Project was found to be significantly less than the carrying amount of asset. Thus the Carrying amount of Wind power project is reduced to its recoverable value which is estimated to 5% of Original Cost. Thus impairment loss Rs 179,40,282 is recognised on Wind Power Project as on March 31,2021

4.3 As on 01/04/20, development of building and furniture and fixtures was completed for the intended use of the company. Hence, Capital Work in Progress of Rs 18,91,03,090 is capitalised in building amounting to Rs 14,95,31,045 and in Furniture & Fixtures, office equipment and computers & printers amounting to Rs 3,95,72,045 as on April 1, 2020

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

Previous Year

(All amounts in ₹ , unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment						Carrying Amount	
	Balance as at April 1, 2019	Additions	Adju-stm-ents	Dispo-sals	Balance at March 31, 2020	Balance as at April 1, 2019	Adju-stm-ents	Deprecia-tion expense	Impair-ment	Dispo-sals	Balance at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Property plant and equipment													
Vehicles	31,81,050	-	-	-	**31,81,050**	13,79,525	-	4,05,252	-	-	**17,84,777**	**13,96,273**	18,01,525
Road, Drains & water supply	27,31,764	-	-	-	**27,31,764**	25,95,175	-	-	-	-	**25,95,175**	**1,36,589**	1,36,589
Building	3,43,12,221	-	-	-	**3,43,12,221**	1,51,99,019	-	8,47,814	-	-	**1,60,46,833**	**1,82,65,388**	1,91,13,202
Furniture and fixtures	1,49,90,136	78,828	-	1,51,620	**1,49,17,344**	1,15,61,682	-	6,88,061	-	76,808	**1,21,72,935**	**27,44,409**	34,28,454
Wind Power Project	5,80,00,000	-	-	-	**5,80,00,000**	3,26,74,645	-	22,42,535	-	-	**3,49,17,180**	**2,30,82,820**	2,53,25,355
Temporary Structure	26,13,392	-	-	-	**26,13,392**	26,13,392	-	-	-	-	**26,13,392**	**-**	-
Plant and Machinery-Imported	14,53,63,505	1,82,27,013	-	-	**16,35,90,518**	6,21,98,040	-	98,52,750	-	-	**7,20,50,790**	**9,15,39,728**	8,31,65,465
Plant and Machinery-Indigenous	5,87,07,231	1,47,424	-	-	**5,88,54,655**	2,83,68,662	-	31,62,469	-	-	**3,15,31,131**	**2,73,23,524**	3,03,38,569
Computer and Printers	2,32,31,057	10,39,168	-	3,91,197	**2,38,79,028**	1,90,68,791	-	9,93,842	-	3,18,185	**1,97,44,448**	**41,34,580**	41,62,266
Leasehold Premises													
Land	1,27,27,973	-	-	-	**1,27,27,973**	14,50,302	-	128,565	-	-	**15,78,867**	**1,11,49,106**	1,12,77,671
Subtotal	**35,58,58,329**	**1,94,92,433**	-	**5,42,817**	**37,48,07,945**	**17,71,09,233**	-	**1,83,21,288**	-	**3,94,993**	**19,50,35,528**	**17,97,72,417**	**17,87,49,096**
Capital work-in-progress	14,96,50,136	3,94,52,954	-	-	**18,91,03,000**	-	-	-	-	-	-	**18,91,03,090**	14,96,50,136
Total	**50,55,08,465**	**5,89,45,387**	-	**5,42,817**	**56,39,11,035**	**17,71,09,233**	-	**1,83,21,288**	-	**3,94,993**	**19,50,35,528**	**36,88,75,507**	**32,83,99,232**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

Note : 5 Intangible Assets

Current 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 as 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	72,70,376	-	-	-	72,70,376	72,70,376	-	-	72,70,376	-	-
Subtotal (a)	**72,70,376**	**-**	**-**	**-**	**72,70,376**	**72,70,376**	**-**	**-**	**72,70,376**	**-**	**-**

Previous Year

(All amounts in ₹ , unless otherwise stated)

Particulars	Cost or Deemed cost					Accumulated depreciation and impairment				Carrying Amount	
	Balance as at April 1, 2019	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance at March 31, 2020	Balance as at April 1, 2019	Amortisation expense	Adjustments	Balance at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Technical Know-how	72,70,376	-	-	-	72,70,376	72,64,667	5,709	-	72,70,376	-	5,709
Subtotal (a)	**72,70,376**	**-**	**-**	**-**	**72,70,376**	**72,64,667**	**5,709**	**-**	**72,70,376**	**-**	**5,709**

6. Trade receivables - Non Current

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Unsecured, considered good	2,44,98,656	3,05,23,325
Total	**2,44,98,656**	**3,05,23,325**

7. Trade receivables - Current

Particulars	As at March 31, 2021	As at March 31, 2020
From Related Party		
(a) Unsecured, considered good	1,82,400	1,05,000
From Others		
(a) Unsecured, considered good	1,75,72,14,349	1,79,63,24,314
(b) Doubtful	20,75,82,209	13,54,25,193
Less : Allowance for doubtful debts	20,75,82,209	13,54,25,193
Total	**1,75,73,96,749**	**1,79,64,29,314**

7.1 The Company has sent the mail to the parties for confirmation of the outstanding balance as at 31st March 2021, but the response of the mails has not been received by the company.

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, 2021	As at March 31, 2020
Deferred tax liabilities	(3,43,31,430)	(4,16,19,324)
Deferred tax assets	20,02,04,407	14,42,44,248
Net	**16,58,72,977**	**10,26,24,924**

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 defered 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, 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	(3,81,73,574)	48,71,761	-	(3,33,01,813)
Fair Value of financial assets	18,63,674	(5,35,576)	-	13,28,098
Allowance for Doubtful Debts	3,94,35,816	2,10,12,123	-	6,04,47,939
Deferred revenue	44,28,004	(31,33,991)	-	12,94,013
Deferred expense	(34,45,750)	24,16,133	-	(10,29,617)
Provisions for Employee Benefit	4,29,57,768	1,07,50,531	2,75,474	5,39,83,773
Tax on losses (Carry Forward Losses)	5,55,58,986	27,32,145	-	5,82,91,131
Deferred Grant	-	2,48,59,453	-	2,48,59,453
Total	**10,26,24,924**	**6,29,72,579**	**2,75,474**	**16,58,72,977**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

Year ended March 31, 2020

(All amounts in ₹ , unless otherwise stated)

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	(3,97,90,871)	16,17,297	-	(3,81,73,574)
Fair Value of financial assets	26,87,838	(8,24,164)	-	18,63,674
Allowance for Doubtful Debts	1,29,97,146	2,64,38,670	-	3,94,35,816
Deferred revenue	1,26,06,935	(81,78,931)	-	44,28,004
Deferred expense	(98,55,660)	64,09,910		(34,45,750)
Provisions for Employee Benefit	1,78,20,176	2,06,89,378	44,48,214	4,29,57,768
Tax on losses (Carry Forward Losses)	-	5,55,58,986	-	5,55,58,986
Total	**(35,34,436)**	**10,17,11,146**	**44,48,214**	**10,26,24,924**

9. Other financial assets

9A. Other financial assets - Non current

Particulars	As at March 31, 2021	As at March 31, 2020
From Related Party		
- Security Deposit	40,470	40,470
Others -		
- Security Deposit	10,91,365	10,66,365
- Loans & Advances to employee	3,88,887	4,00,189
- Cash and bank balance not available for immediate use (See Note below)	94,36,315	54,27,295
Total	**10,957,037**	**69,34,319**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Balances (Including interest accrued thereon) not available for immediate use being deposits pledged with bank as margin money.	2,71,20,075	3,95,73,765
Less : Amount reflected under Other Bank Balance [Note 11A]	1,76,83,760	3,41,46,470
Amount reflected under other financial assets - non-current [Note 9A]	**94,36,315**	**54,27,295**

9B. Other financial assets - Current

Particulars	As at March 31, 2021	As at March 31, 2020
- Security Deposits	8,09,500	8,09,500
- Loans to Staff	25,447	76,286
- Earnest Money	3,01,76,480	4,16,11,869
- Subsidy Receivable	6,48,000	6,48,000
Total	**3,16,59,427**	**4,31,45,655**

10. Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Inventories		
Raw materials	7,50,19,875	12,40,26,377
Raw material in Production Department	4,40,27,223	2,99,02,281
Finished goods	9,17,03,145	9,67,77,477
Packing Material	2,77,660	4,17,831
Stores and Spares	2,09,80,542	2,04,29,910
Total	**23,20,08,445**	**27,15,53,876**

10.1 Raw Material in Production Department is the Material in WIP stores which are at zero stage of completion, In Earlier years it was classified as Work in Progress.

10.2 Pursuant to compliance with Schedule III , Stores & Spares are reclassified as a separate line item. In Previous year it was grouped under Raw Material.

10.3 Data Processing Unit (DPU) and spares kits are of Finished Goods nature. They were previously included in Work in Progress, They are reclassified to Finished Goods.

10.4 The above inventory includes Non Moving inventory of Rs 43,62,491 and Slow moving inventory of Rs 90,52,583.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

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:

(All amounts in ₹ , unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks	8,66,65,866	11,32,192
PNB Savings Account	8,22,66,865	-
Others	43,99,001	11,32,192
Cash on hand	41,101	1,22,101
Cash and cash equivalents	**8,67,06,967**	**12,54,293**

The Company has received a Grant of Rs 8,15,08,000 from Department of Heavy Industries (DHI) under FAME II Scheme for establishing EV Chargers. These Funds have been kept in PNB Savings Account which are not available for Normal Business Operations. The amount stated also includes Rs 7,58,364 received as interest on the funds. The interest is deposited to Consolidated Fund of India in month of July 2021.

11A. Other Bank Balances

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Deposits pledged with bank as margin money (maturity more than 3 months but less than 12 months)	1,76,83,760	3,41,46,470
Total	**1,76,83,760**	**3,41,46,470**

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 collateraly 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, 2021	As at March 31, 2020
Others -		
-Prepaid expenses	65,929	4,57,612
Total	**65,929**	**4,57,612**

12B. Other assets - Current

Particulars	As at March 31, 2021	As at March 31, 2020
Advance against expenses to employees	1,82,719	5,37,729
Prepaid expenses	12,04,193	16,33,896
Other Advances	34,05,542	1,81,25,887
Advances to Vendors	14,10,223	88,81,877
GST Adjustable	20,80,357	1,34,61,850
Total	**82,83,034**	**4,26,41,239**

13. Current tax assets and liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax assets		
Benefit of tax losses to be carried back to recover taxes paid in prior periods		
Advance Payment of taxes	6,74,21,467	4,85,34,137
	6,74,21,467	**4,85,34,137**
Current tax liabilities		
Income tax payable	18,40,780	18,40,780
	18,40,780	**18,40,780**
Current tax Assets / (Liabilities)	**6,55,80,687**	**4,66,93,357**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

14. Equity Share Capital

(All amounts in ₹ , unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity share capital	12,25,00,000	12,25,00,000
Total	**12,25,00,000**	**12,25,00,000**

Authorised Share capital :		
1,50,00,000 equity shares of Rs. 10 each	15,00,00,000	15,00,00,000
Issued and subscribed capital comprises :		
1,22,50,000 fully paid equity shares of Rs. 10 each (as at March 31, 2020 : 1,22,50,000)	12,25,00,000	12,25,00,000
	12,25,00,000	**12,25,00,000**

14.1 Movement during the period

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Particulars	**Number of shares**	**Share capital (Amount)**	**Number of shares**	**Share capital (Amount)**
Balance at the start of the period	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000
Movements	-	-	-	-
Balance at the end of the period	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000

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 the promoters.

Particulars	As at March 31, 2021	As at March 31, 2020
Government of India	62,47,500	62,47,500
Total	**62,47,500**	**62,47,500**

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

	As at March 31, 2021		As at March 31, 2020	
Particulars	**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%
M/s Rajasthan State Industrial Development and Investment Corporation Ltd., Jaipur	60,02,500	49%	60,02,500	49%
Total	1,22,50,000	100%	1,22,50,000	100%

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

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2020	81,23,45,363	44,70,055	81,68,15,418
Add: Profit/(Loss) for the year	-	(12,77,72,567)	(12,77,72,567)
Add: Other Comprehensive Income	-	(6,70,520)	(6,70,520)
Less: Transfer to Retained Earnings	(13,00,00,000)	-	(13,00,00,000)
Add: Transfer from General Reserves	-	13,00,00,000	13,00,00,000
Balance as at March 31, 2021	**68,23,45,363**	**60,26,968**	**68,83,72,331**

Notes forming part of the Financial Statements for the year ended March 31, 2021(Contd.)

(All amounts in ₹ , unless otherwise stated)

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2019	1,02,23,45,363	54,96,659	1,02,78,42,022
Add: Profit/(Loss) for the year	-	(17,06,63,326)	(17,06,63,326)
Add: Other Comprehensive Income	-	(1,08,27,248)	(1,08,27,248)
Less: Payment of Dividend	-	(2,45,00,000)	(2,45,00,000)
Less: Tax on Dividend	-	(50,36,030)	(50,36,030)
Less: Transfer to Retained Earnings	(21,00,00,000)	-	(21,00,00,000)
Add: Transfer from General Reserves	-	21,00,00,000	21,00,00,000
Balance as at March 31, 2020	**81,23,45,363**	**44,70,055**	**81,68,15,418**

16A. Non-current Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured - at amortised cost		
(i) Term loans		
- from banks	-	60,53,258
Total Non-current borrowings	-	**60,53,258**

16B. Current Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured - at amortised cost		
(a) Loans repayable on demand		
-from banks (Cash Credit)	-	9,74,59,347
Total Current borrowings	**-**	**9,74,59,347**

The balance of Secured Cash Credit Facility from PNB Bank is Rs. Nil as at March 31, 2021 (9,74,59,347 as at March 31, 2020)

Footnote

1. Age-wise analysis and Repayment terms of the Company's Long term Borrowings are as below:

Particulars	As at March 31, 2021	As at March 31, 2020
Term Loan (PNB)	-	1,87,19,247
Total	**-**	**1,87,19,247**

The Term loan from PNB is repaid in full during F.Y 2020-21

17. Other financial liabilities - Current

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Earnest Money	76,36,792	77,98,392
(b) Retention money	20,95,950	20,95,950
(c) Security Deposit	1,19,43,945	96,47,455
(d) Current Maturities of long-term debt	-	1,26,65,989
(e) Employee Benefits Payable	87,30,935	72,13,787
(f) Others	4,27,792	22,43,711
Total	**3,08,35,414**	**4,16,65,284**

18. Provisions

18A. Provisions - Non current

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits	2,72,91,990	26,79,999
Total	**2,72,91,990**	**26,79,999**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

18B. Provisions - Current

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits	7,32,57,112	5,48,94,285
Provision for Warranty	50,00,000	50,00,000
Total	**7,82,57,112**	**5,98,94,285**

18.1 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.

18.2 Earlier, the practice followed by the Company was to recognize Medical Reimbursement to retired employees on actual basis. However, on analysis of the medical reimbursement policy in accordance with IND AS 19, it was observed that this is in the nature of defined benefit plan. Hence, during F.Y 2020-21, Company has recognised a liability amounting to Rs. 2,56,61,711 related to the same.

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

19. Other liabilities

19A. Other non-current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
-Deferred Grant Related to income*	25,74,000	38,61,000
-Deferred Grant Related to asset*	20,28,907	21,35,707
-Deferred Revenue	2,42,83,726	2,09,63,649
Total	**2,88,86,633**	**2,69,60,356**

19B. Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
-Advance from customers	17,04,70,534	9,09,31,593
-Deferred Grant Related to income	8,27,95,000	8,78,31,000
-Deferred Grant Related to asset	1,06,800	1,06,800
-Interest payable under Consolidated Fund of India	7,58,364	-
-Pre-Receipt Training & Education	-	14,000
-Deferred revenue	4,40,86,733	2,49,75,642
-Statutory dues	1,59,85,772	1,13,22,335
Total	**31,42,03,203**	**21,51,81,370**

19.1 Deferred Grant related to income includes the Grant amounting Rs 8,15,08,000 received from Department of Heavy Industries (DHI) under FAME II Scheme for establishing Electronic Vehicle chargers. As per Management estimate that the project would be completed in the near future and accordingly the nature of this Grant is current.

19.2 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.

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

20A. Trade payables - Non Current

Particulars	As at March 31, 2021	As at March 31, 2020
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	37,08,996	39,37,203
Total	**37,08,996**	**39,37,203**

20B. Trade payables - Current

Particulars	As at March 31, 2021	As at March 31, 2020
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	37,98,79,974	32,65,87,971
-Total Outstanding dues of creditors other than micro and small enterprises	1,05,24,66,593	1,02,55,45,400
Total	**1,43,23,46,567**	**1,35,21,33,371**

20.1 The above outstanding amount includes Rs 31,36,72,582 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 Pradeshik Cooperative Federation(PCDF) Uttar Pradesh and UPNEDA. In the case of PCDF they have filed application in Hon'ble High Court for appointment of arbitrator and in the case of UPNEDA they have filed application for setting aside order of the Commercial Court. Hon'ble High Court has appointed arbitrator in case of PCDF and no order has been received in respect of UPNEDA as proceedings are underway till date.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

20.2 Company has policy to obtain confirmation from vendors regarding MSMED registeration only for those Vendors with whom Company has regular transactions during the year.
Further, no confirmation from venders is obtained regarding registeration under MSMED Act, 2006 from parties with whom no transactions occur during the year.

21 Contingent liabilities, Contingent assets and Commitments

21.1 Contingent liabilities

(₹ In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Guarantees given by bankers on behalf of the company.	3,933.31	4,430.07
(b) Claims against the company not acknowledges as debts.	39.45	39.67
(c) Service Tax Show cause notices/Demand raised by Excise & Service Tax Department (2009-10)	3.82	3.82

21.1.1 Claims against the company not acknowledge as debts include claim by an Ex-Employee of the Company (Mr Samuel Subodh) for which litigation is pending in court of law amounting to Rs 39.45 lacs
In Previous year, Contingent Liability also includes claim by another ex- employee (Mr Bala Ram) for which liability is booked in current year under the head of outstanding liability as Management estimates that it is more probable that the Company will lose the case

21.1.2 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. 14,75,877 as on 31/03/2021 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.

21.2 Contingent assets

(₹ In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Insurance Claims lodged but not approved/settled	2,42,500	5,56,074
Total	**2,42,500**	**5,56,074**

21.3 Commitments

(₹ In Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Commitments		
Estimated amount of contracts remaining to be executed and not provided for including service and maintenance contracts.	9,273	6,539
Total	**9,273**	**6,539**

22. Revenue from operations

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Sales		
Export	-	7,41,085
Domestic	92,37,64,555	63,15,66,576
(b) Other operating revenues		
Services Maintenance and installation Charges	45,36,22,523	33,19,68,239
Grant in aid	9,53,10,460	14,23,73,000
Insurance Receipts	9,96,911	14,93,997
Carriage Receipts	7,25,724	9,87,557
Total	**1,47,44,20,173**	**1,10,91,30,454**

22.1 Earlier the company has recognized sales of EV Chargers to Tata Power amounting Rs 4.93 Crore and accordingly utilizes Government Grant of 3.45 Crore. But in August 2021 the company issued Credit Note to Tata Power and recognize it as sales Return, but on subsequent verification it is found that the company has not signed the agreement with Tata power as the later did not agree with the Terms & condition of the agreement.
The impact of the above mentioned subsequent events is taken in books and the sales is reversed in F.Y. 2020-21. Also the utilization of Government Grant relating the same is also reversed.

22.2 Grant in aid includes grant related to income amounting to Rs 9,53,10,460 in current year (Rs. 14,23,73,000 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.

22.3 Revenue disaggregation as has been included in segment information (Refer note 35).

22.4 The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 6,83,70,460 of which 64.48% is expected to be recognised next year.No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

Changes in Deferred Revenue for the year ended March 31, 2021 are as follows :

Balances at the beginning of the year	**4,59,39,291**
Revenue recognised during the year	(77,45,937)
Addition during the year	3,01,77,106
Balance at the end of the year	**6,83,70,460**

23. Other Income

a) Interest Income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Prior Period Income	4,54,912	-
Bank Deposits	18,58,239	23,70,838
Others	77,16,471	89,75,607
Total (a)	**1,00,29,622**	**1,13,46,445**

b) Other Non-Operating Income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amortisation of Government Grant*	1,06,800	1,06,800
Foreign Exchange Fluctuation	69,177	-
Others (aggregate of immaterial items)	20,07,400	6,24,341
Total (b)	**21,83,377**	**7,31,141**
Total (a+b)	**1,22,12,999**	**1,20,77,586**

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

24. Cost of material consumed

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cost of material Consumed		
Opening stock	17,47,76,400	15,95,02,331
Add: Purchase of raw material	78,39,77,431	68,82,11,868
	95,87,53,831	**84,77,14,199**
Less: Closing stock	14,03,05,300	17,47,76,400
Total	**81,84,48,531**	**67,29,37,799**

24A. Details of material consumed

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Details of Raw Materials consumed		
Solar Energy Equipments		
-Solar Cells	2,47,63,581	4,67,91,145
-Others	46,53,60,700	30,70,74,328
Electronic Milk Analysers	32,42,86,080	30,96,19,744
Consumables & packing materials	40,38,170	94,52,582
Total	**81,84,48,531**	**67,29,37,799**
(b) Value of Imported and indigenous material consumed		
Imported	3,78,89,826	8,81,37,302
Indigenous	78,05,58,705	58,48,00,497
Total	**81,84,48,531**	**67,29,37,799**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

25. Change in inventories of finished goods

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Increase (-) / Decrease (+) in Stock		
Opening Stock		
Finished goods	9,67,77,477	3,50,50,140
	9,67,77,477	3,50,50,140
Less: Closing stock		
Finished goods	9,17,03,145	9,67,77,477
	9,17,03,145	9,67,77,477
Change in inventories of Finished goods	50,74,332	(6,17,27,337)
Total	**50,74,332**	**(6,17,27,337)**

26. Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	27,85,05,683	28,97,84,881
Contribution to provident and other funds	4,63,32,397	5,32,43,359
Staff Welfare Expenses	21,90,763	98,07,247
Provision for Medical expenses	2,61,40,604	-
Total	**35,31,69,447**	**35,28,35,487**

26.1 Provision for medical expenses as per Post Retirement Medical Scheme for Medical Reimbursement to Retired Employees are booked in accordance with the actuarial report as per IND AS 19. (Refer Note 18.2). This also includes Rs. 478893/- paid to Contractual employees and special cases of regular employees.

27. Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest costs	85,42,937	76,29,357
Bank Charges	38,71,719	28,05,053
Bank Guarantee Commission	23,61,563	27,69,736
Total	**1,47,76,219**	**1,32,04,146**

28. Depreciation, impairment and amortisation expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment pertaining to continuing operations	2,56,67,798	1,83,21,288
Impairment loss of Property, Plant and Equipments	1,79,40,282	-
Less : Depreciation of earlier year written off	-	-
Amortisation of intangible assets	-	5,709
Total depreciation, impairment and amortisation pertaining to continuing operations	**4,36,08,080**	**1,83,26,997**

28.1 Impairment Loss of Rs 1,79,40,282 is booked on Wind Power Project in accordance with IND AS 36 "Impairment of Assets" (Refer Note-4.2)

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

29. Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Other Expenses		
Power & fuel	55,77,697	68,04,562
Repair & Maintenance		
- Plant & machinery	6,55,796	6,94,804
- Building	7,43,665	15,54,746
- Others	4,13,652	10,26,549
Testing & other expenses	7,69,093	2,38,378
Component & prototype for R&D	5,85,841	5,83,064
Rent	20,15,247	29,55,282
Rates & taxes	14,55,948	16,97,416
Printing & stationery	6,45,624	19,30,047
Travelling & conveyance	88,25,009	1,68,04,696
Postage & communication expenses	25,75,868	26,59,114
Board meeting expenses	-	19,037
Director's sitting fee	1,28,000	58,000
Legal & professional fee	37,07,830	31,48,367
Security, cleaning & other expenses	75,46,426	79,10,357
Payment to Auditors	2,79,000	3,03,000
Insurance charges	14,68,451	8,94,182
CSR expenses	-	30,35,744
Allowances for Doubtful Debts	7,21,57,016	9,07,92,139
Advertising & business promotion	5,09,836	63,98,550
Forwarding expenses	1,04,27,637	66,57,335
Warranty Obligation	23,90,027	68,51,532
Royalty, Discount & commission	41,57,268	80,40,711
Service, maintenance & installation charges	29,11,08,568	23,74,81,630
Foreign exchange fluctuation (net)	-	9,33,855
Miscellaneous expenses	38,43,228	98,34,148
Loss on Sale of Assets	6,34,102	-
Loss on Written off of assets	2,35,673	-
Penalty Ag. Late Supply - SPV	1,79,69,912	-
Prior Period Expenses	12,24,511	-
Total	**44,20,50,925**	**41,93,07,245**

Payments to Auditors	Year ended March 31, 2021	Year ended March 31, 2020
(a) Statutory audit fee	1,00,000	1,00,000
(b) Tax audit fee	60,000	60,000
(c) Certification work	94,000	1,18,000
(d) Out of pocket expenses	25,000	25,000
Total	**2,79,000**	**3,03,000**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

30. Income taxes relating to continuing operations

30.1 Income tax recognised in profit or loss

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
In respect of the current period	-	-
Adjustment of tax relating to earlier year	-	-
	-	**-**
Provision Reversal		
In respect of the Previous period	2,50,784	(2,13,01,825)
	2,50,784	**(2,13,01,825)**
Deferred tax		
In respect of the current period	(6,29,72,579)	(10,17,11,146)
Adjustment of tax relating to earlier year	-	-
	(6,29,72,579)	**(10,17,11,146)**
Total income tax expense recognised in the current period relating	**(6,27,21,795)**	**(12,30,12,971)**
to continuing operations		

30.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax		
Re-measurement of defined benefit obligation	2,75,474	44,48,214
Total	**2,75,474**	**44,48,214**
Bifurcation of the income tax recognised in other		
Items that will not be reclassified to profit or loss	2,75,474	44,48,214

31. Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	₹ per share	**₹ per share**
From Continuing operations		
Profit / (Loss) after tax	(12,77,72,567)	(17,06,63,326)
Weighted average number of equity shares for calculation of basic EPS	1,22,50,000	1,22,50,000
Basic earnings per share (one equity share of ₹ 10/- each)	**(10.43)**	**(13.93)**
Weighted average number of equity shares for calculation of diluted EPS	1,22,50,000	1,22,50,000
Diluted earnings per share (one equity share of ₹ 10/- each)	**(10.43)**	**(13.93)**
From Continuing operations	**₹ per share**	**₹ per share**
Basic earnings per share	(10.43)	(13.93)
Diluted earnings per share	(10.43)	(13.93)

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

31.1 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, 2021	Year ended March 31, 2020
Profit / (Loss) for the period attributable to owners of the Company (A)	(12,77,72,567)	(17,06,63,326)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	1,22,50,000	1,22,50,000
Basic Earnings per share (A/B)	**(10.43)**	**(13.93)**

31.2 Diluted earnings per share

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

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings used in the calculation of basic earnings per share	(12,77,72,567)	(17,06,63,326)
Earnings used in the calculation of diluted earnings per share (A)	(12,77,72,567)	(17,06,63,326)
Weighted average number of equity shares used in the calculation of	1,22,50,000	1,22,50,000
basic earnings per share		
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	1,22,50,000	1,22,50,000
Diluted earnings per share (A/B)	**(10.43)**	**(13.93)**

32. Employee benefit plans

32.1 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 ₹ 2,21,41,919 /- (Previous Year ₹ 2,25,78,330 /-).

32.2 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 Acturial 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.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

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

Particulars	Valuation as at	
	As at March 31, 2021	**As at March 31, 2020**
Discount rate (s)	6.44%	6.83%
Rate (s) of salary increase	6.00%	6.00%
Rate of Employee Turnover	3.00%	2.00%
Expected Return on Plan Assets	6.44%	6.83%
Mortality rates* (During Employment)	Indian Assured Lives Mortality (2006-08)	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, 2021	As at March 31, 2020
Present value of funded defined benefit obligation	(17,09,98,799)	(17,23,58,831)
Fair value of plan assets	11,30,50,097	12,38,10,453
Funded status	(5,79,48,702)	(4,85,48,378)
Restrictions on asset recognised		
Net liability arising from defined benefit obligation	**(5,79,48,702)**	**(4,85,48,378)**

Net Interest Cost for Current Period are as follows

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of Benefit Obligation at the Period	17,23,58,831	16,00,28,644
Fair value of plan assets at the Beginning of the Period	(12,38,10,453)	(11,41,40,018)
Net Liability/(Assets) at the Beginning	**4,85,48,378**	**4,58,88,626**
Interest Cost	1,17,72,108	1,23,06,203
(Interest Income)	(84,56,254)	(87,77,367)
Net Interest Cost for Current Period	**33,15,854**	**35,28,836**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Current Service Cost	53,83,331	49,02,551
Net Interest Cost	33,15,854	35,28,836
Past Service Cost	-	-
Expenses Recognized	**86,99,185**	**84,31,387**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Actuarial (Gains)/Losses on Obligation For the Period	3,80,890	1,45,88,283
Return on Plan Assets, Excluding Interest Income	5,65,104	6,87,179
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**9,45,994**	**1,52,75,462**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	17,23,58,831	16,00,28,644
Interest cost	1,17,72,108	1,23,06,203
Current service cost	53,83,331	49,02,551
Past Service Cost	-	-
Remeasurement (gains)/losses :		
Actuarial gains and losses arising from changes in demographic assumptions	12,52,053	-
Actuarial gains and losses arising from changes in financial assumptions	33,27,914	78,77,679
Actuarial gains and losses arising from experience adjustments	(41,99,077)	67,10,604
Benefits paid from the Fund	(1,88,96,361)	(1,94,66,850)
Closing defined benefit obligation	**17,09,98,799**	**17,23,58,831**

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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets	12,38,10,453	11,41,40,018
Interest income	84,56,254	87,77,367
Return on plan assets (excluding amounts included in net interest expense)	(5,65,104)	(6,87,179)
Contributions from the employer	2,44,855	2,10,47,097
Benefits paid from the Fund	(1,88,96,361)	(1,94,66,850)
Closing fair value of plan assets	**11,30,50,097**	**12,38,10,453**

Balance Sheet Reconciliation

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Net Liability	4,85,48,378	4,58,88,626
Expenses Recognized in Statement of Profit or Loss	86,99,185	84,31,387
Expenses Recognized in OCI	9,45,994	1,52,75,462
Net Liability/(Asset) Tranfer In		
Net Liability/(Asset) Transfer Out		
Net Effect of Changes in Foreign Exchange Rates		
(Benefit Paid Directly by the Employer)	(2,44,855)	(2,10,47,097)
Net Liability/(Asset) Recognized in the Balance Sheet	**5,79,48,702**	**4,85,48,378**

Category of Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Insurance Fund	11,30,50,097	12,38,10,453
Net Liability/(Asset) Recognized in the Balance Sheet	**11,30,50,097**	**12,38,10,453**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

Other Details

Particulars	As at March 31, 2021	As at March 31, 2020
No. of Active Members	240	254
Per Month Salary For Active Members	1,51,51,170	1,56,87,345
Weighted Average Duration of the Projected Benefit Obligation	6	7
Average Expected Future Service	10	12
Projected Benefit Obligation (PBO)	17,09,98,799	17,23,58,831
Prescribed Contribution for Next Year (12 Months)	1,51,51,170	1,56,87,345

Net Interest Cost for Next Year are as follows

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of Benefit Obligation at the End of the Period	17,09,98,799	17,23,58,831
Fair value of plan assets at the End of the Period	(11,30,50,097)	(12,38,10,453)
Net Liability/(Assets) at the End of the Period	5,79,48,702	4,85,48,378
Interest cost	1,10,12,323	1,17,72,108
(Interest Income)	(72,80,426)	(84,56,254)
Net Interest Cost for Next Period	37,31,897	33,15,854

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

Particulars	As at March 31, 2021	As at March 31, 2020
Current Service Cost	40,46,573	53,83,331
Net Interest Cost	37,31,897	33,15,854
Expenses Recognized	**77,78,470**	**86,99,185**

Maturity Analysis of Projected Benefit Obligation : From the Fund

Particulars	As at March 31, 2021	As at March 31, 2020
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	2,10,56,588	2,08,59,789
2nd Following Year	2,30,15,381	1,18,09,739
3rd Following Year	1,82,21,352	2,69,67,660
4th Following Year	2,34,42,122	1,80,74,254
5th Following Year	2,35,45,454	2,20,15,249
Sum of Years 6 to 10	6,97,71,261	7,62,51,063
Sum of Years 11 and above	7,91,26,371	10,34,27,225

Sensitivity Analysis

Particulars	As at March 31, 2021	As at March 31, 2020
Projected Benefits Obligation on Current Assumptions	17,09,98,799	17,23,58,831
Delta Effect of +1% Change in Rate of Discounting	(82,55,785)	(90,89,299)
Delta Effect of -1% Change in Rate of Discounting	92,38,844	1,02,11,845
Delta Effect of +1% Change in Rate of Salary Increase	50,91,729	64,21,458
Delta Effect of -1% Change in Rate of Salary Increase	(54,04,999)	(66,79,034)
Delta Effect of +1% Change in Rate of Employee Turnover	9,67,869	12,03,807
Delta Effect of -1% Change in Rate of Employee Increase	(10,55,448)	(13,18,515)

Notes forming part of the Financial Statements for the year ended March 31, 2021(Contd.)

(All amounts in ₹ , unless otherwise stated)

33. Financial Instruments

33.1 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.

33.2 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, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	**1,91,12,18,836**	**1,91,12,18,836**	**1,87,82,86,906**	**1,87,85,04,395**
Financial assets at amortised cost :				
Non Current				
Trade receivables*	2,44,98,656	2,44,98,656	3,05,23,325	3,07,31,799
Other Financial Assets	1,09,57,037	1,09,57,037	69,34,319	69,43,334
Current				
Trade receivables	1,75,73,96,749	1,75,73,96,749	1,79,64,29,314	1,79,64,29,314
Cash and cash equivalents	8,67,06,967	8,67,06,967	12,54,293	12,54,293
Other financial assets	3,16,59,427	3,16,59,427	4,31,45,655	4,31,45,655
Financial liabilities				
Financial liabilities held at amortised cost :	**1,46,68,90,977**	**1,46,68,90,977**	**1,40,37,89,116**	**1,40,37,89,116**
Non Current				
Trade Payables	37,08,996	37,08,996	39,37,203	39,37,203
Borrowings	-	-	60,53,258	60,53,258
Current				
Trade Payables	14,32,346,567	14,32,346,567	1,35,21,33,371	1,35,21,33,371
Others financial liabilities	3,08,35,414	3,08,35,414	4,16,65,284	4,16,65,284

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.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

33.3 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, 2021, the foreign currency exposure to the Company on holding financial liabilities (trade payables) amounted to ₹ 13.63 Lakhs (March 31, 2020: ₹ 233.76 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 ₹ 14.89 Lakhs gain in the Statement of Profit and Loss (2019-20: ₹ 49.62 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

The Company has repaid the Term Loan in full during F.Y 2020-21 and there is no outstanding Credit balance of Cash Credit/Overdraft. Thus the Company has no exposure to changes in interest rates.

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, 2021 & 31st March, 2020 is the carrying value of each class of financial assets.

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

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 ₹ 20,75,82,209/-. 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	2020-21	2019-20
Opening Balance	**13,54,25,193**	**4,46,33,054**
Changes in loss allowance :		
Bad Debts	-	-
Additional Provision	7,21,57,016	9,07,92,139
Closing Balance	**20,75,82,209**	**13,54,25,193**

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, 2021					
Trade Payables*	1,43,60,55,563	1,43,23,46,567	37,08,996	-	1,43,60,55,563
Borrowings	-	-	-	-	-
Other financial Liabilities	3,08,35,414	3,08,35,414	-	-	3,08,35,414
Total	**1,46,68,90,977**	**1,46,31,81,981**	**37,08,996**	-	**1,46,68,90,977**
As at March 31, 2020					
Trade Payables*	1,35,60,70,574	1,35,21,33,371	39,37,203	-	1,35,60,70,574
Borrowings	10,35,12,605	9,74,59,347	60,53,258	-	10,35,12,605
Other financial Liabilities	4,16,65,284	4,16,65,284	-	-	4,16,65,284
Total	**1,50,12,48,463**	**1,49,12,58,002**	**99,90,461**	-	**1,50,12,48,463**

* Trade Payable includes ₹ 91,64,84,469/- as at March 31, 2021 (₹ 90,74,41,370/- as at March 31, 2020) 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, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

34. Related Party Disclosures

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

As at March 31, 2021

Nature of Relationship	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO Ltd.	RIICO
Key Management Personnel	Shri Rakesh Chopra (Wef 01/04/2020)	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

As at March 31, 2020

	Name of Entity	Abbreviation used
Control	Government of India	GOI
Significant Influence	RIICO Ltd.	RIICO
Key Management Personnel	Shri A K Jain (upto 31/03/2020)	MD
	Shri Subhash Agrawal	CFO
	Shri Amit Kumar Jain	CS

34 (b) Transactions/ balances with above mentioned related parties (mentioned in note 34(a) above)

As at Mar 31,2021

Particulars	Government of India	RIICO Ltd.	Shri Rakesh Chopra	Shri Subhash Agrawal	Shri Amit Kumar Jain	Total
Balance						
Trade Receivable	-	1,05,000	-	77,400	-	**1,82,400**
Security Deposit	-	40,470	-	-	-	**40,470**
Transactions						
Remuneration	-	-	36,34,576	31,94,362	11,53,825	**79,82,763**
Supply, Installation and Commissioning of SPV Modules	-	-	1,20,501	1,18,797	-	**2,39,298**

As at Mar 31,2020

Particulars	Government of India	RIICO Ltd.	Shri A K Jain	Shri Subhash Agrawal	Shri Amit Kumar Jain	Total
Balance						
Trade Receivable	-	1,05,000	-	-	-	**1,05,000**
Security Deposit	-	40,470	-	-	-	**40,470**
Transactions						
Remuneration	-	-	52,36,202	30,72,924	10,81,557	**93,90,683**
Dividend Paid	1,24,95,000	1,20,05,000	-	-	-	**2,45,00,000**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

35. 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 : **(₹ In Lakhs)**

	Renewable Energy		Electronic		Total	
Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Revenue						
External	6,551.16	4,771.93	8,193.04	6,319.37	14,744.20	11,091.30
Inter-Segment	-	-	-	-	-	-
Segment Revenue	**6,551.16**	**4,771.93**	**8,193.04**	**6,319.37**	**14,744.20**	**11,091.30**
Total Revenue						
Segment results	**-1,972.90**	**-1,975.57**	**114.46**	**-942.61**	**-1,858.44**	**-2,918.18**
Interest income					101.25	113.46
Interest expenditure					147.76	132.04
Tax Expense					-627.22	-1,230.13
Net Profit / (Loss)					**-1,277.73**	**-1,706.63**

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Segment assets	**13,162.49**	**16,856.49**	**10,066.22**	**9,338.33**	**23,228.71**	**25,194.82**
Unallocated Assets					4,035.31	2,257.98
Total assets					**27,264.02**	**27,452.80**
Segment liabilities	**9,743.85**	**8,857.78**	**5,866.80**	**6,882.21**	**15,610.65**	**15,739.99**
Unallocated Liabilities					11,653.37	11,712.81
Total liabilities					27,264.02	27,452.80

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Capital Expenditure for the year	3.14	380.71	10.61	208.74	13.75	589.45
Depreciation for the year	363.64	151.25	72.44	32.02	436.08	183.27

(II) Secondary - Geographical Segments :

Particulars	India		Outside India	
	Year ended March 31, 2021	**Year ended March 31, 2020**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Revenue	14,744.20	11,083.89	-	7.41
Carrying Amount of Segment Assets	23,228.71	25,194.82	-	-
Capital Expenditure/Additions to Fixed Assets	13.75	589.45	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

36. Other notes annexed to and forming parts of the accounts for the year ended March 31, 2021

A. CIF value of imports

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Raw material & Components	2,97,07,290	7,73,16,301
Plant & Machinery	-	1,66,22,234
Total	**2,97,07,290**	**9,39,38,535**

B. Expenditure in foreign currency

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Foreign Travelling	-	4,39,271
Royalty	-	59,59,479
Professional Expenses	47,886	-
Business Promotion	20,533	-
Total	**68,419**	**63,98,750**

C. Earning in foreign exchange on FOB value

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Export Sales	-	7,41,085
Others-misc. income	-	3,50,341
Total	-	**10,91,426**

D.(i) Corporate Social Responsibility (2020-21)

- Gross amount required to be spent by the Company during the year - ₹ 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 (2019-20)

- Gross amount required to be spent by the Company during the year - ₹ 29,48,000/-
- 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	30,35,744	-	30,35,744

E. Expenditure on Research and Development

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue	3,08,17,427	3,03,14,372
Capital	2,77,070	22,000
Total	**3,10,94,497**	**3,03,36,372**

Notes forming part of the Financial Statements for the year ended March 31, 2021 (Contd.)

(All amounts in ₹ , unless otherwise stated)

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

(₹ In Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i) The Principal amount remaining unpaid to supplier as at the end of accounting year.*	3,798.80	3,265.88
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	**3,798.80**	**3,265.88**

* 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. Events after the end of the reporting year

The Company had reversed revenue and effect of utilization of Grant amounting to Rs 4.93 Cr considering the event of Sales Return as an adjusting event in accordance with IND AS 10 "Event After Reporting Period" (Refer Note 22.1)

K. Previous years comparative figures have been regrouped wherever necessary.

As per our separate report of even date

For R Sogani & Associates
Chartered Accountants
FRN 018755C

Sd/-
(BHARAT SONKHIYA)
Partner
M. No. 403023

Place: Jaipur
Date: 21.10.2021
UDIN: 21403023AAABKI7610

For and on behalf of the Board of Directors

Sd/-
(Ashok Pathak)
Director
DIN : 06948918

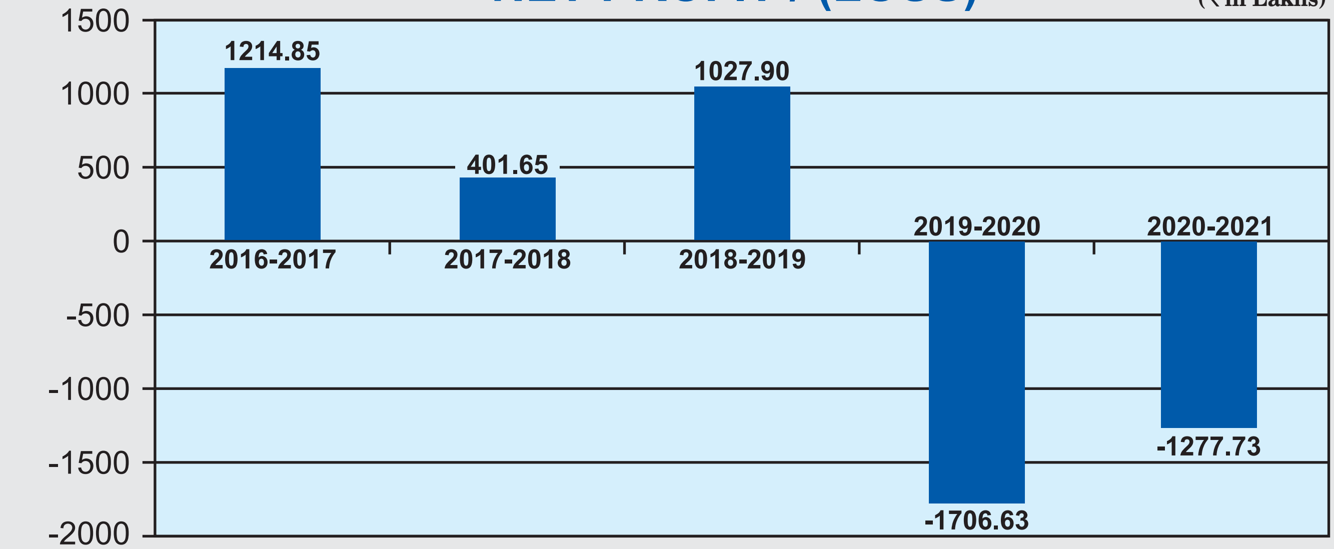
Sd/-
(Rakesh Chopra)
Managing Director
DIN : 08732688

Sd/-
(Amit Kumar Jain)
Company Secretary

Sd/-
(Subhash Agrawal)
Chief Financial Officer

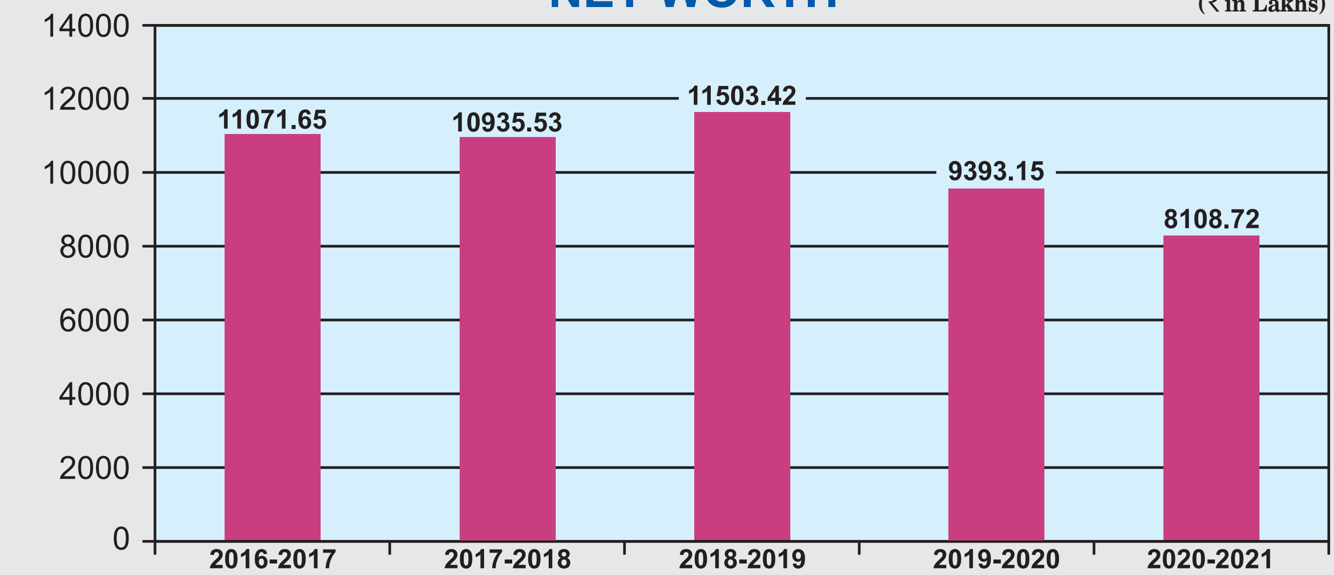
NET PROFIT / (LOSS)

(₹ in Lakhs)



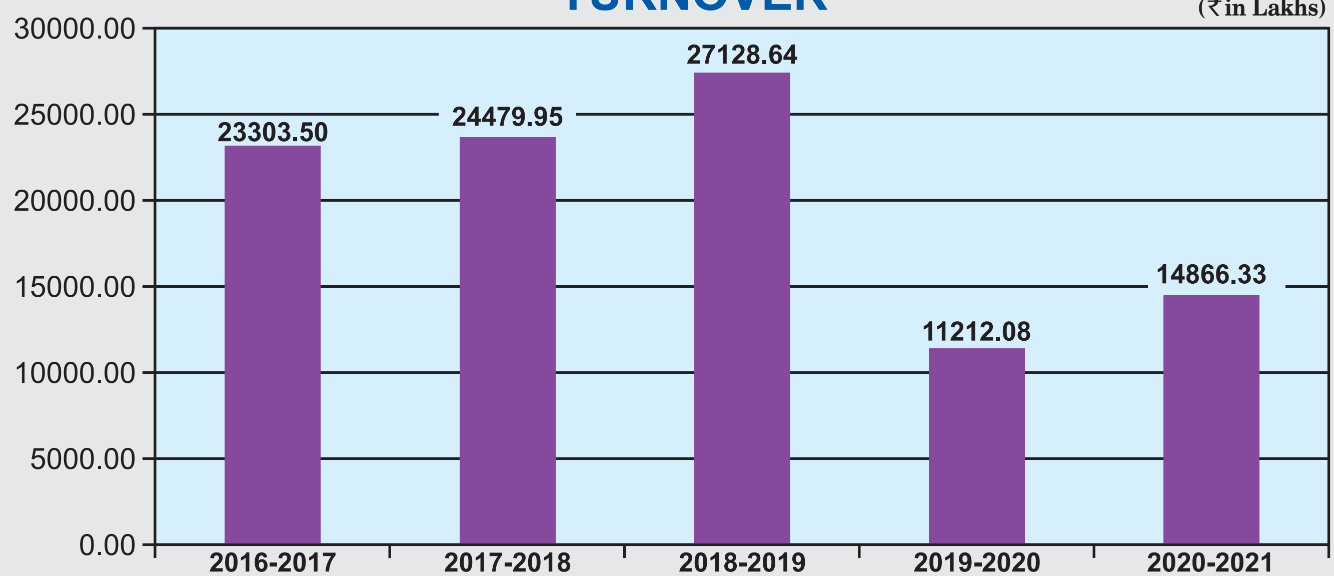
NET WORTH

(₹ in Lakhs)



TURNOVER

(₹ in Lakhs)



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Jaipur-302034, Rajasthan, India

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