

NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

OFFICE NO. 9, 2ND FLOOR, JAIN CHAMBERS, 577, S.V. ROAD, BANDRA (WEST), MUMBAI 400050, INDIA

PHONE : (91-22) 2640 0358, 2640 0359

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Transrail Lighting Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Transrail Lighting Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information in which are incorporated the financials for the year ended on that date audited by branch auditors of the Company's branches located at Benin, Bangladesh, Ghana, Kenya, Jordan, Mali, Mozambique, Nicaragua, Niger, Philippines, Thailand, Togo and Uganda and unaudited management accounts of the Company's branches located at Afghanistan, Bhutan and Italy (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit (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 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 Standalone Financial Statements section of our report. We are independent of the



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Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone 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 on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including the Directors Report, Chairman's Statement, Management Discussions and Analysis, Summarized Financial Information, Corporate Governance and Shareholder's Information but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we are to conclude that there is a material misstatement of this Other Information, we are required to report that fact.

The Other Information has not been made available to us till the date of this report and hence we are unable to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes



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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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

1. Identify and assess the risks of material misstatement of the standalone 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.



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2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

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

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



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Other Matters

1. We did not audit the financial statements / financial information of 14 Branches included in the Standalone Financial Statements of the Company whose financial statements / financial information reflect total assets as at March 31, 2022 of Rs. 209.27 crores, total revenues of Rs. 190.81 crores and net cash flows of Rs. 19.68 crores for the year ended on that date, as considered in the Standalone Financial Statements. The Financial Statements / Financial Information of these branches have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches and our report in terms of sub-section 3 of Section 143 of the Act, in so far as it relates to the aforesaid branches is based solely on the reports of such branch auditors.
2. The financial statements of the 3 immaterial branches are based on un-audited management prepared financial statements whose financial statements / financial information reflect total assets as at March 31, 2022 of Rs. 2.74 crores, total revenue of Rs.0.13 crores and net cash flows of Rs. (10.41) crores for the year ended on that date and have been accounted as such and on which no further audit procedures have been carried out by us.
3. All the above stated branches are located outside India. Their financial results have been prepared in accordance with accounting principles generally accepted in their respective countries.
4. The audited financials stated above have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such branches located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our audit report in so far as it relates to the balances and affairs of such branches located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the Standalone Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters with respect



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to our reliance on the work done and the reports of the other auditors and the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. We have also received financial statements and returns adequate for the purposes of our audit from the Branches of the Company not visited by us as detailed in our paragraph on Other Matters.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g. With respect to the other matters to be included in the Auditor's Report in



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accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 its standalone financial statements – Refer Note 47 to the standalone financial statements,
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of their knowledge and belief, other than as disclosed in the note 9(d) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entities, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entities including foreign entities ("Funding Parties"), with



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the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

- c. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
- v. No dividend has been declared or paid during the year by the company.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No.107023W



K. N. Padmanabhan
Partner

M. No. 036410

Mumbai, Dated: July 05, 2022

UDIN: 22036410AMHIWR8834



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ANNEXURE A

To the Independent Auditors' Report on the Standalone Financial Statements of Transrail Lighting Limited

- (i) a. (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
- (B) The company has generally maintained proper records showing full particulars of intangible assets.
- b. Property, Plant and Equipment have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the company and nature of its assets and no material discrepancies were noticed on such verification.
- c. We have verified the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements and based on such verification we confirm that the same are held in the name of the company.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Hence clause 3(i)(d) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company
- e. On the basis of information and explanation given, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancy noted have been properly dealt with in the books of account of the Company.



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(b) In our opinion and on the basis of examination of books and records and on the basis of information and explanation given to us the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are largely in agreement with the books of account of the Company, except as detailed in Note No 24 (iv) to the notes to accounts.

- (iii) (a) In our opinion and on the basis of examination of books and records and on the basis of information and explanation given to us the Company has made investments in companies, firms, Limited Liability Partnerships. The Company has also provided guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties details of which are given hereunder:

Particulars	Guarantees	Security	Loans (Rs in Cr)	Advances in nature of loans
Aggregate amount granted /provided during the year			27.07	
- Subsidiaries			7.29	
- Joint Ventures			-	
- Associates			19.50	
- Others			0.27	
Balance outstanding as at balance sheet date in respect of such cases				
- Subsidiaries			20.24	
- Joint Ventures			28.29	
- Associates			19.50	
- Others			0.30	



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(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of the loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that no amount is overdue for more than ninety days.

(e) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties except as hereunder:

Name of the party	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans (Rs in Cr)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Transrail Lighting Nigeria Limited	17.66	65.25%
Transrail Lighting Malaysia SDN	0.08	0.30%

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except as under:



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	All Parties	Promoters	Related Parties (Rs in Cr)
Aggregate amount of loans / advances in nature of loans - Repayable on demand (A)			-
- Agreement does not specify any terms or period of repayment (B)			28.29
Total (A+B)			28.29
Percentage of loans/ advances in nature of loans to the total loans			41.40%

Since there is no stipulation of schedule of repayment of principal and payment of interest, we are unable to make specific comment on the regularities on the repayment of principal and payment of interest.

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect of loans given, investment made, guarantees and security. given except as follows:

A	Non-compliance of Section 185			
		Nature of non-compliance	Maximum amount outstanding during the year (Rs in Cr)	Balance as at Balance Sheet date (Rs in Cr)
1	Directors			
2	Any person in whom any of the director of the company is interested.	No Shareholders approval by special resolution for Loans and advances made to Burberry Infra Private Limited	19.50	19.50



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- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given in the attached Statement 1:
- (viii) According to the information and explanations given to us and to the best of our knowledge and belief there are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or



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in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and audit procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year.

(b) According to the information and explanations given to us and based on the audit procedures performed we report that the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year under review

(xi) (a) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is



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not applicable to the company.

(c) According to the information and explanations given to us and to the best of our knowledge and belief no whistle-blower complaints have been received during the year by the company.

- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of it business
(b) We have considered the internal audit reports for the year issued by the in house internal audit department to the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- (xvi) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
(d) According to the information and explanations given to us, in our opinion during the year, the Group does not have any CICs as part of the Group.
- (xvii) On an examination of the Statement of Profit and Loss account, we are of the opinion that the Company has not incurred cash losses during the financial year and the immediate previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year



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and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) According to the information and explanations given to us and on the basis of audit procedures performed by us, in our opinion in respect of other than ongoing projects, there are no unspent amount required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) According to the information and explanations given to us and on the basis of audit procedures performed by us, in our opinion in respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act, except in respect of the following:



NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

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PHONE : (91-22) 2640 0358, 2640 0359

Financial Year	Amount unspent on Corporate Social Responsibility Activities for "Ongoing Projects"	Amount Transferred to Special Account within 30 days from the end of the Financial Year (Rs in Cr.)	Amount Transferred after the due date (specify the date of deposit)
A	B	C	D
2021-22	2.34	- -	2.30 Cr (May 31, 2022) 0.04 Cr (June 18, 2022)

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No- 107023W



K. N. Padmanabhan
Partner

M. No. 036410

Mumbai, Dated: July 05, 2022

UDIN: 22036410AMHIWR8834



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Annexure - B to the Auditors' Report

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Transrail Lighting Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statement 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 with reference to financial statements 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 ('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 its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their



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operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

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



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(REGISTERED)

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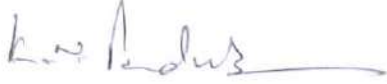
OFFICE NO. 9, 2ND FLOOR, JAIN CHAMBERS, 577, S.V. ROAD, BANDRA (WEST), MUMBAI 400050, INDIA

PHONE : (91-22) 2640 0358, 2640 0359

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W



K. N. Padmanabhan
Partner

M. No. 036410

Mumbai, Dated: July 05, 2022

UDIN: 22036410AMHIWR8834



NAYAN PARIKH & CO.

(REGISTERED)

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Statement 1

Statement of Statutory Dues outstanding on account of disputes, as on 31st March, 2022, referred to in Para 4(vii)(b) of Annexure A to Auditor's Report

Name of statute	Nature of dues	Amount (Rs. In crores)	Pre-Deposit Amount (Rs. in crores)	Period to which it relates	Forum where dispute is pending
Service Tax	Tax	5.95	-	Apr 2008 to Jan 2009	Hon. Supreme Court
Service Tax	Tax	4.77	-	Feb 2009 to Sep 2009	Hon. Supreme Court
Service Tax	Tax	6.53	-	Oct 2009 to Mar 2010	Hon. Supreme Court
Service Tax	Tax	7.18	-	Apr 2010 to Mar 2011	Hon. Supreme Court
Service Tax	Tax	4.23	-	Apr 2011 to Mar 2012	Hon. Supreme Court
Service Tax	Tax	2.01	0.15	2012-13 to 2013-14	CESTAT Mumbai
Service Tax	Penalty	2.01	-	2012-13 to 2013-14	CESTAT Mumbai
Excise	Tax	1.63	0.47	Dec 2012 to Jan 2013	CESTAT Mumbai
Excise	Penalty	1.63	-	Dec 2012 to Jan 2013	CESTAT Mumbai
VAT	Tax & Penalty	0.11	0.11	2007-08	Gujarat Value Added Tax Tribunal
VAT	Tax	0.51	0.51	2008-09	Gujarat Value Added Tax Tribunal
VAT	Tax & Penalty	0.10	0.10	Apr 2009 to Jun 2009	Gujarat Value Added Tax Tribunal
VAT	Tax & Penalty	0.20	0.20	Jul 2009 to Mar 2010	Gujarat Value Added Tax Tribunal



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Name of statute	Nature of dues	Amount (Rs. In crores)	Pre-Deposit Amount (Rs. in crores)	Period to which it relates	Forum where dispute is pending
Service Tax	Tax	0.06	0.01	2006-07	CESTAT, Western Region, Ahmedabad
VAT & CST	Tax	0.37	0.01	2007-08	Gujarat Value Added Tax tribunal
VAT	Tax	2.40	-	2012-13	Mumbai Value Added Tax Jt. Commissioner Appeal
CST	Tax	1.90	-	2012-13	Mumbai Value Added Tax Jt. Commissioner Appeal
VAT	Tax, Interest and Penalty	1.48	-	2009-10	Commissioner, Ranchi
CST	Tax, Interest and Penalty	0.77	-	2009-10	Commissioner, Ranchi
VAT	Tax, Interest and Penalty	2.56	-	2009-10	Commissioner, Ranchi
VAT	Tax, Interest and Penalty	1.03	-	2010-11	Commissioner, Ranchi
CST	Tax, Interest and Penalty	0.31	-	2010-11	Commissioner, Ranchi
VAT/CST	Tax, Interest and Penalty	1.17	0.14	2016-17	Deputy Commissioner
VAT/CST	Tax, Interest and Penalty	3.47	-	2016-17	Jt. Commissioner, Appeals
IGST	Tax	0.94	0.28	Jul 2017 to Dec 2019	Jt. Commissioner, Appeals, Tirupati
VAT/CST	Tax, Interest and Penalty	0.28	0.01	April 2017 to June 2017	Jt. Commissioner
VAT/CST	Tax, Interest and Penalty	1.14	-	2017-18	Jt. Commissioner
Excise	Tax	0.10	0.01	April 2011 to Dec 2011	CESTAT-Ahmedabad



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Name of statute	Nature of dues	Amount (Rs. In crores)	Pre-Deposit Amount (Rs. in crores)	Period to which it relates	Forum where dispute is pending
Excise	Tax	1.20	0.09	April 2010 to Dec 2014	CESTAT-Ahmedabad
Excise	Penalty	1.20	-	April 2010 to Dec 2014	CESTAT-Ahmedabad
Excise	Tax	0.47	0.05	Sep-14	CESTAT-Ahmedabad
Excise	Penalty	0.05	-	Sep-14	CESTAT-Ahmedabad
Excise	Tax	0.65	0.06	Aug 2015 to Sep 2015	CESTAT-Ahmedabad
Excise	Penalty	0.06	-	Aug 2015 to Sep 2015	CESTAT-Ahmedabad
Excise	Tax	0.35	0.03	Jun-13	CESTAT-Ahmedabad
Excise	Tax	6.63	0.59	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Penalty	6.63	-	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Tax	0.60	-	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Penalty	0.06	-	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Tax	0.66	-	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Penalty	0.06	-	July 2010 to Jan 2016	CESTAT-Ahmedabad
Excise	Tax	1.73	0.17	Feb 16 to June 17	Commissioner (Appeals)
Excise	Penalty	0.17	-	Feb 16 to June 17	Commissioner (Appeals)
Income Tax	Tax	0.18	-	Asst. Year 2016-17	Commissioner of Income Tax (Appeals)
Income Tax	Tax	0.36	-	Asst. Year 2017-18	Commissioner of Income Tax (Appeals)



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Name of statute	Nature of dues	Amount (Rs. In crores)	Pre-Deposit Amount (Rs. in crores)	Period to which it relates	Forum where dispute is pending
Income Tax	Tax	16.32	-	Asst. Year 2018-19	Commissioner of Income Tax (Appeals)
Income Tax	Tax	9.26	-	Asst. Year 2019-20	Commissioner of Income Tax (Appeals)
Income Tax	Tax	3.76	-	Asst. Year 2020-21	Commissioner of Income Tax (Appeals)
	Total	105.24	2.99		



Transrail Lighting Limited
CIN:U31506MH2008PLC179012
Standalone Balance Sheet as at March 31, 2022
(All figures in INR Crores unless otherwise stated)

Particulars	Note Ref	As at 31-03-2022	As at 31-03-2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	325.36	305.79
(b) Right-of-use Asset	4	8.52	11.18
(c) Capital Work-in-Progress	5	17.21	3.85
(d) Other Intangible Assets	6	0.24	0.46
(e) Financial Assets			
(i) Investments	7	0.66	0.65
(ii) Trade Receivables	8	-	-
(iii) Loans	9	47.92	24.07
(iv) Others	10	24.27	40.32
(f) Other Non-current Assets	14	44.33	26.72
		468.51	413.04
(2) Current Assets			
(a) Inventories	11	278.48	232.46
(b) Financial Assets			
(i) Investments	7	3.15	3.01
(ii) Trade Receivables	8	639.73	490.97
(iii) Cash and Cash Equivalents	12 (a)	54.82	88.78
(iv) Bank Balances other than (iii) above	12 (b)	44.03	38.44
(v) Loans	9	0.70	25.26
(vi) Others	10	38.98	40.94
(c) Contract Assets	13	1,094.43	662.23
(d) Other Current Assets	14	223.30	190.02
		2,377.62	1,772.11
Total Assets		2,846.13	2,185.15
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	15	22.71	7.57
(b) Other Equity	16	647.07	564.48
		669.78	572.05
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	117.97	98.43
(ii) Lease Liabilities	19	3.47	4.62
(iii) Other Financial Liabilities	18	53.29	49.91
(b) Provisions	21	4.40	3.95
(c) Deferred Tax Liabilities (Net)	22	-	-
		179.13	156.91
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	351.13	330.69
(ii) Lease Liabilities	19	3.93	6.28
(iii) Trade Payables	25		
Outstanding Dues of Micro & Small Enterprises		56.23	12.21
Outstanding Dues other than Micro & Small Enterprises		1,014.34	831.15
(iv) Other Financial Liabilities	18	37.32	28.34
(b) Contract Liabilities	20	460.22	185.34
(c) Other Current Liabilities	23	22.83	24.90
(d) Provisions	21	51.22	31.97
(e) Current Tax Liabilities (Net)	26	-	5.31
		1,997.22	1,456.19
Total Equity and Liabilities		2,846.13	2,185.15

As per our report of even date attached.

For Nayan Parikh & Co.
Chartered Accountants
FRN. 107023W



K N Padmanabhan
Partner
M.No. 036410



Mumbai, July 5, 2022

For and on behalf of Board of Directors


Randeep Narang
Managing Director & CEO
DIN - 07269818


Vasant Savla
Chief Financial Officer





Jeevan Lal Nagori
Director
DIN No - 00017939


Gandhali Upadhya
Company Secretary

Transrail Lighting Limited
CIN:U31506MH2008PLC179012
Standalone Statement of Profit and Loss for the year ended March 31, 2022
(All figures in INR Crores unless otherwise stated)

Particulars	Note Ref	2021-22	2020-21
I Revenue from Operations	27	2,284.15	2,121.44
II Other Operating Revenue	28	65.88	46.31
III Other Income	29	7.35	7.08
Total Income		2,357.38	2,174.83
IV Expenses:			
Cost of Materials Consumed	30	1,205.97	989.71
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	31	(17.80)	60.30
Sub-contracting Expenses	32	354.04	353.73
Employee Benefits Expense	33	159.44	130.94
Finance Costs	34	84.84	93.47
Depreciation & Amortisation	35	37.31	32.88
Other Expenses	36	441.66	378.94
Total Expenses		2,265.46	2,039.97
V Profit Before Tax		91.92	134.86
VI Tax Expense	38	25.46	32.85
1. Current Tax		23.70	32.85
2. Deferred Tax Liability / (Asset)		-	-
3. (Excess) / Short Provision of Tax		1.76	-
VII Profit for the period		66.46	102.01
VIII Other Comprehensive Income			
A Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of the Financial Statements of Foreign Operations		0.79	(0.64)
B Net other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)		0.27	0.31
Tax thereon		(0.07)	-
Total Other Comprehensive Income		0.99	(0.33)
IX Total Comprehensive Income for the period		67.45	101.68
X Earning Per Equity Share for Continuing Operations			
(i) Par Value (Rs.)	39	10.00	10.00
(ii) Basic (Rs.)		59.67	163.30
(iii) Diluted (Rs.)		59.67	163.30

For Nayan Parikh & Co.
Chartered Accountants
FRN. 107023W
K N Padmanabhan
Partner
M.No. 036410



Mumbai, July 5, 2022

For and on behalf of Board of Directors

Randeep Narang
Managing Director & CEO
DIN - 07269818

Vasant Savla
Chief Financial
Officer

Jeevan Lal Nagori
Director
DIN No - 00017939

Gandhall Upadhye
Company Secretary



Transrail Lighting Limited
CIN: U31506MH2008PLC179012
Standalone Statement of Cash Flow for the year ended March 31, 2022
(All figures in INR Crores unless otherwise stated)

Particulars	2021-22	2020-21
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	91.92	134.86
Adjustments for:		
Depreciation	37.31	32.88
Interest Income	(5.06)	(2.88)
Interest Expenses	66.87	80.45
Interest on Lease Liabilities	1.07	1.16
Allowance for Expected and Lifetime Credit Loss	1.89	10.09
Loss on Sale of Investment in Subsidiary	-	5.04
Fair Value of Investment	(0.14)	-
Assets discarded	0.04	-
Profit / (loss) on sale of Property, Plant & Equipments	(0.05)	(0.18)
Expense on Employee Stock Option Scheme	-	0.97
Foreign Exchange Gain	18.82	8.60
Provision for Expected Contractual Obligation	27.88	1.54
(Reversal)/Provision for Short Supply	(9.19)	5.38
Sundry Credit Balances Written Back	(12.44)	(12.97)
Bad Debts Written Off	16.37	3.73
	143.37	133.82
<i>Operating Profit Before Working Capital Changes</i>	235.29	268.68
Trade Receivables and Contract Assets	(599.22)	(59.35)
Inventories	(46.03)	35.22
Other Financial, Non financial liabilities and Provisions	519.37	(59.71)
Other Financial and Non Financial assets	(22.56)	(53.48)
	(148.44)	(137.32)
CASH GENERATED FROM THE OPERATIONS	86.84	131.36
Direct Taxes Paid	(35.36)	(48.94)
<i>Net Cash generated from Operating Activities</i>	51.49	82.42
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Property, Plant & Equipments	(79.91)	(22.19)
Proceeds from sale of Property, Plant & Equipments	4.76	1.30
Movement in other Bank Balances	(10.73)	15.33
Purchase of Equity shares in Associate	(0.01)	(0.01)
Proceeds from sale of Investment in Subsidiary	-	0.01
Loans and advances given to Related parties	(26.79)	(15.17)
Loan and advances repaid by Related parties	21.36	3.76
Purchase of other investments	-	(3.01)
Interest Received	2.81	2.88
<i>Net Cash (used in) Investing Activities</i>	(37.02)	65.32
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(60.62)	(73.85)
Proceeds from Rights issue of Equity Shares	30.28	26.96
Proceeds from Long Term Borrowings	103.19	35.42
Repayment of Long Term Borrowings	(49.91)	(54.59)
Proceeds from / (Repayment of) Short Term Borrowings	(13.28)	72.60
Interest on Lease Liabilities	(1.07)	(1.16)
Principal Repayment of Lease Liabilities	(5.52)	(4.29)
<i>Net Cash generated from Financing Activities</i>	3.07	1.09
NET INCREASE IN CASH AND CASH EQUIVALENTS	(33.95)	66.41
Balance as at Beginning	88.78	22.36
Balance as at Closing	54.82	88.78
NET INCREASE IN CASH AND CASH EQUIVALENTS	(33.95)	66.41
Components of Cash and Cash Equivalents		
(i) Balances with banks	16.74	44.72
(ii) Balance with Bank -Foreign Branches	33.51	25.24
(iii) Fixed Deposits with Banks	4.01	1.59
(iv) Cash on hand	0.56	1.72
(v) Cheques on Hand	-	15.51
	54.82	88.78

Note: Figure in brackets denote outflows

As per our report of even date attached.

For Nayan Parikh & Co.

Chartered Accountants

FRN. 107023W


K N Padmanabhan

Partner

M.No. 036410



Mumbai, July 5, 2022

For and on behalf of Board of Directors


Randeep Narang
Managing Director & CEO
DIN - 07269818


Jeevan Lal Nagori
Director
DIN No - 00017939


Vasant Savla
Chief Financial Officer




Gandhali Upadhye
Company Secretary

STATEMENT OF CHANGES IN EQUITY (SOCIE)
(All figures in INR Crores unless otherwise stated)

A Equity Share Capital

Particulars	March 31, 2022		March 31, 2021	
	Number of Shares	Rs. in crores	Number of Shares	Rs. in crores
Equity shares of INR 10 each issued, subscribed and fully paid				
Opening Balance	75,69,480	7.57	42,00,000	4.20
Addition During the year	1,51,38,960	15.14	33,69,480	3.37
Closing Balance	2,27,08,440	22.71	75,69,480	7.57

B Other Equity

Particulars	Reserves and Surplus				Debt Redemption Reserve	Employee Stock Option outstanding	Other Comprehensive Income	Total Equity
	Securities Premium	Retained Earning	Capital Reserve	Exchange differences on translating the financial statements of a foreign operation				
Opening as on March 31, 2020	48.80	319.43	62.24	4.62	2.71		438.21	
Profit for the year	-	102.01	-	-	-		102.01	
Exchange differences on Translation of the Financial Statements of Foreign Operations	-	-	-	-	(0.64)		(0.64)	
Securities Premium on shares issued	23.59	-	-	-	-		23.59	
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	-	0.31	-	-	-		0.31	
Transferred from Debt Redemption Reserve (refer note no. 14(iii))	-	4.43	-	(4.43)	-		-	
Deferred compensation during the year	-	-	-	-	-		0.97	
Closing as on March 31, 2021	72.39	426.18	62.24	0.19	2.08		564.48	
Profit for the year	-	66.46	-	-	-		66.46	
Exchange differences on Translation of the Financial Statements of Foreign Operations	-	-	-	-	0.79		0.79	
Securities Premium on shares issued	15.14	-	-	-	-		15.14	
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	-	0.20	-	-	-		0.20	
Transferred from Debt Redemption Reserve (refer note no. 14(iii))	-	0.15	-	(0.15)	-		-	
Closing as on March 31, 2022	87.53	492.99	62.24	0.04	2.87		647.07	

Remeasurement of defined benefit plan Rs 0.27 Crores (PY Rs 0.31 Crores) is recognised as part of retained earnings.

As per our report of even date attached.
For Nayen Parikh & Co.
Chartered Accountants
FRN: 107023W



K N Padmanabhan
Partner
M.No. 036410

Mumbai, July 5, 2022

For and on behalf of Board of Directors

Jeevan Lal Nagori
Jeevan Lal Nagori
Director
DIN No - 00017939

Randeep Narang
Randeep Narang
Managing Director & CEO
DIN - 07269818



Vasant Savla
Vasant Savla
Chief Financial Officer

Gandhall Upadhye
Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2022

1. Company Overview and Significant Accounting Policies

A. **Company Overview**

Transrail Lighting Limited ("the Company" and "Transrail") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Mumbai, India.

The Company, incorporated in 2008, has been an integrated pole manufacturing company with state of art manufacturing capabilities, vast experience and a rich pedigree. Consequent upon the transfer of Transmission and Distribution (T&D) business of M/s Gammon India Limited ("GIL") to the Company, effective January 1, 2016, the Company is now an integrated transmission and distribution company.

The said T&D undertaking has close to 37 years of experience of executing extra high voltage Transmission and Distribution lines / rural electrification projects on turnkey basis. The company's scope of work includes design, testing, manufacturing and supply of galvanized towers, conductors, and allied construction activities. The Company has built in house capabilities in designing and testing of towers, with a tower manufacturing capacity of 110,000 TPA and a state-of-the-art tower testing facility at Deoli, Wardha District, which can test towers up to 1200 kV. Over the years the company has executed marquee turnkey projects and cemented its position as a renowned T&D player in India. The company is the only player in India having manufacturing capabilities of towers, a Conductor Manufacturing Plant and a Mono Poles Manufacturing plant and an ultra-modern Tower Testing Station. In recent years the company has also embarked into the projects of rural electrification, railway electrification, erection of Sub-Stations and civil construction.

The Financial Statements are approved for issue by the Company's Board of Directors in the meeting held on 5, July 2022.

B. **Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

i. **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definition of assets and liabilities at the acquisition date in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact on its financial statements.

ii. **Ind AS 16 – Proceeds before intended use**

The amendment clarifies that excess of net sales proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company does not expect the amendment to have any material impact in its recognition of its property, plant and equipment in its financial statements.



iii. **Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling the contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact on its financial statements.

iv. **Ind AS 109 - Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

v. **Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of lease hold improvement by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact on its financial statements.

C. Basis of Preparation

These Financial Statements are Standalone Financial Statements and have been prepared in accordance with the Indian Accounting Standards ("Ind AS") under the historical cost convention except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under section 133 of the Companies Act, 2013 (to the extent notified), read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

The functional currency of the Company is Indian Rupee. Therefore, the Financial Statements have been presented in INR ("Rs.") and all amounts have been rounded off to the nearest Crore (One crore equals ten million), except where otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

D. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS required the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period and the actual results could differ from these estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in the circumstances surrounding the estimates and assumptions. The changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

E. Operating cycle for current and non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project / contract / service including the defect liability period, wherever applicable, and extends upto the realization of receivables (including retention monies) within the credit period normally applicable to the respective project. Operating cycle for pure supply contracts and other businesses are considered as twelve months.



F. Critical accounting policies and estimates

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed here under.

i. Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the standalone financial statements.

ii. Taxes

Deferred tax assets are recognized for unabsorbed tax losses to the extent that it is probable that taxable profit will be available against which the losses can be set-off. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

iii. Defined benefit plans (gratuity benefits)

The cost of defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

iv. Non-current asset held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the asset held for sale has been estimated using valuation techniques (mainly income and market approach), which include unobservable inputs.

v. Revenue recognition

The Company uses the percentage of completion method in accounting for its construction contracts. The use of the percentage of completion method requires the Company to estimate the expenditure to be incurred on the project till the completion of the project. The percentage of work completed is

determined in the proportion of the expenditure incurred on the project till each reporting date to total expected expenditure on the project. Provision for estimated foreseeable losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Revenue Recognition

The Company derives revenues primarily from Engineering, Procurement and Construction business.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from Operations, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-



completion method. The Company determines the percentage-of-completion on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from the sale of distinct manufactured / traded material is recognised upfront at the point in time when the control over the material is transferred to the customer.

Revenue from rendering of services is recognized in the accounting period when the service is rendered and the right to receive the revenue is established.

Revenues in excess of invoicing are classified as Contract assets while invoicing in excess of revenues are classified as contract liabilities (which can be referred as Advances from Customers).

Advance payments received from customers for which no services are rendered are also presented under 'Advance from Customers'.

In arrangements for supply and erection contracts performed over a period of time, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. Although there may be separate contracts with customers for supply of parts and erection of towers, it is accounted for as a single contract as they are bid and negotiated as a package with a single commercial objective and the consideration for one contract depends on the price and performance of the other contract. The goods and services promised are a single performance obligation.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Export Benefits

Duty Drawback claims are recognized based on the entitlement under relevant scheme / laws.

Other Revenues

All other revenues are recognized on accrual basis.

B. Property, Plant and Equipment (PPE)

The Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any.

The Company depreciates the assets in accordance with the useful life prescribed in Schedule II of the Act except for i) Second hand plant & machineries are depreciated over the period of 5 to 10 years based on technical evaluation of the same & ii) erection tools and tackles which are depreciated over the period of 2 and 5 years based on the technical evaluation of the same. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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



The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Non-current Assets held for sale

A Non-Current Asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through its continuing use, is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale, it is highly probable that sale will take place within next 1 year and sale will not be abandoned.

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets consist of rights and licenses which are mortised over the useful life on a straight line basis.

D. Leases

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

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

E. Financial Instruments

Initial Recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provision of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are recorded at transaction price. 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.

Subsequent measurement

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

- a) financial instruments at mortised cost
- b) financial instruments at fair value through other comprehensive income (FVTOCI)
- c) financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)



Financial Assets at amortized cost

A Financial instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss.

Financial Assets at FVTOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company

recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit & loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

De-recognition

A financial asset is derecognized when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset and the transfer qualifies for de-recognition under Ind AS 109.

F. Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.



Gains or losses on liabilities held for trading are recognized in the statement of profit & loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to the statement of profit & loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through the statement of profit & loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, commodity price risk as cash flow hedges. Hedges of foreign exchange risk and commodity price risk for highly probable forecast transactions are accounted for as cash flow hedges. Hedges of the fair value of recognized assets or liabilities or a firm commitment are accounted for as fair value hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. Note 42 sets out details of the fair values of the derivative instruments used for hedging purposes.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss is recognized in profit or loss.

Where the hedged item subsequently results in the recognition of a non-financial asset, both the deferred hedging gains and losses and the deferred time value of the option contracts, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss through cost of material consumed.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or nonfinancial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in



the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

De-recognition

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

Fair Value Measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (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.

G. Impairment

Impairment of Financial Assets

The Company recognizes the loss allowance using the expected credit loss (ECL) model for financial assets which are not valued through the statement of profit and loss account.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit and loss.

H. Impairment of Non-Financial Assets

Assets with an indefinite useful life and goodwill are not amortized / depreciated and are tested annually for impairment. Assets subject to amortization / depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the difference between asset's fair value less sale costs and value in use. For the purposes of assessing



impairment, assets are aggregated at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than Goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

The Company, on an annual basis, tests Goodwill for impairment, and if any impairment indicators are identified tests other non-financial assets, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and sensitivity analysis is performed on the most relevant variables included in the estimates, paying particular attention to situations in which potential impairment indicators may be identified.

I. Provisions, Contingent Liabilities, Contingent Assets

General

The company recognizes a provision when it has a present obligation (legal or constructive) as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required to settle the obligation is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are carried at the present value of forecast payments that are expected to be required to settle the obligation, using a rate before taxes that reflects the current market assessment of the time value of money and the specific risks of the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provision for Contractual Obligation

The company is exposed to shortages in the supply and rectification of erection services of the materials which generally are identified during the course of the execution of the project. These shortages are due to various aspects like theft, pilferage and other losses. The company therefore records the costs, net of any claims, at the time related revenues are recorded in the statement of profit & loss.

The company estimates such costs based on historical experience and estimates are reviewed on an annual basis for any material changes in assumptions and likelihood of occurrence.

Contingent Liabilities

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

J. Foreign Currencies

Transactions and Balances

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in Other Comprehensive Income (OCI) in the standalone financial statements



of the reporting entity. The foreign operations are accounted in the standalone financial statements as a non-integral operation.

- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to statement of profit & loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. 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 profit or loss are also recognized in OCI or profit or loss, respectively).

K. Share based payments

The Company operates equity-settled share based remuneration plans for its employees.

For equity-settled share based payments, a liability is recognised for the services acquired, measured initially at the fair value of the liability. All goods and services received in exchange for the grant of any share based payment are measured at their fair values on the grant date. Grant date is the date when the Company and employees have shared an understanding of terms and conditions on the arrangement.

Where employees are rewarded using share based payments, the fair value of employees services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions. All share based remuneration is ultimately recognised as an expense in profit or loss. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

L. Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be refunded from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the domicile country. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and makes provisions wherever appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and the tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is



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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

M. Inventories

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

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

- ▶ Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average.
- ▶ Work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost of direct material is determined on weighted average. Work In Progress on construction contracts reflects value of material inputs and expenses incurred on contracts including profits recognized based on percentage completion method on estimated profits in evaluated jobs.
- ▶ Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average.
- ▶ Consumable Stores and construction materials are valued and stated at lower of cost or net realizable value.
- ▶ Finished Goods are valued at cost or net realizable value, whichever is lower. Costs are determined on weighted average method.
- ▶ Scrap are valued at net realizable value.

N. Retirement and other employee benefits

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

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund and / or creation of provision for unfunded portion of defined gratuity

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the statement of profit & loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:



- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Termination Benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

O. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

P. Trade and other receivables

Trade receivables are amounts due from customers related to goods sold or services rendered in the ordinary course of business. If the receivables are expected to be collected in a year or less (or in the operation cycle if longer), they are classified as current assets. Otherwise, they are recorded as non-current assets.

Trade receivables are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due in accordance with the original terms of the receivables. The existence of significant financial difficulties on the part of the debtor, the probability that the debtor will become bankrupt or undertake a financial restructuring, and late payment or default are considered to be indicators of the impairment of a receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The asset's carrying amount is written down as the provision is applied and the loss is recognized in the statement of profit and loss. When a receivable is uncollectable, the provision for receivables is made in statement of profit & loss. Subsequent recoveries of receivables written off are recognized in the statement of profit & loss for the year in which the recovery takes place.

Q. Cash Flow Statement

Cash flows are reported using the indirect method, whereby the profit for the period is adjusted for the effects of the transactions of a non-cash nature, any deferrals or past and future operating cash flows, and items of incomes and expenses associated with investing and financing cash flows. The cash flows from operating and investing activities of the company are segregated.

R. Operating Cycle

Assets and liabilities relating to long term projects/ contracts are classified as current/non-current based on the individual life cycle of the respective contract / project as the operating cycle. In case of pure supply contracts and other businesses, the operating cycle is considered as twelve months.

S. Borrowing Costs

Borrowing costs 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 its intended use are added to the cost of those assets.

Interest income earned on temporary investment of specific borrowing pending their deployment is deducted from the borrowing costs eligible for capitalization.

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



T. Investment in Subsidiary / Associate

Investment in subsidiary / associate is carried at cost in the separate financial statements. Investment carried at cost is tested for impairment as per IND AS 36.

U. Onerous Contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities)."

V. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



3 Transrail Lighting Limited
Property, Plant and Equipment and Intangible Assets schedule for the year ended on March 31, 2022.

Property, Plant and Equipments Particulars	Land - Free Hold		Land - Lease hold		Building - Factory & Office		Plant & Equipment		Electric Installation		Furniture & Fixtures		Vehicles		Office Equipment		Computer		SPC Tools		Total
Gross Block As at March 31, 2020	28.25		47.17		130.69		196.57		3.20		3.53		8.17		1.78		3.12		7.87		430.37
Additions	-		-		0.79		27.12		0.55		0.59		0.80		0.30		1.33		1.29		32.77
Disposals	-		-		0.43		0.76		-		-		0.09		0.75		0.09		0.05		2.17
As at March 31, 2021	28.25		47.17		131.05		222.93		3.75		4.12		8.88		1.33		4.36		9.11		460.97
Additions	-		-		0.38		50.52		0.02		1.09		2.96		0.84		1.36		0.11		57.28
Disposals	-		-		4.10		1.21		-		0.06		0.45		0.00		0.01		0.02		5.85
As at March 31, 2022	28.25		47.17		127.33		272.25		3.77		5.15		11.39		2.17		5.71		9.21		512.40
Accumulated Depreciation As at March 31, 2020	-		2.21		21.80		86.28		2.74		2.09		2.73		0.99		1.91		6.85		127.59
Charge for the year	-		0.52		4.08		21.18		0.26		0.39		0.93		0.28		0.76		0.24		28.64
Disposals for the year	-		-		-		0.54		-		0.04		0.39		0.05		0.03		-		1.05
As at March 31, 2021	-		2.73		25.88		106.92		3.00		2.44		3.27		1.22		2.64		7.09		155.18
Charge for the year	-		0.52		3.72		25.44		0.13		0.29		1.00		0.36		1.00		0.44		32.90
Disposals for the year	-		-		0.19		0.47		-		0.01		0.34		(0.00)		0.01		0.02		1.04
As at March 31, 2022	-		3.25		29.41		131.89		3.13		2.72		3.93		1.58		3.63		7.52		187.03
Net Block as at March 31, 2021	28.25		44.44		105.17		116.01		0.76		1.68		5.61		0.11		1.72		2.02		305.79
Net Block as at March 31, 2022	28.25		43.92		97.92		140.36		0.64		2.43		7.46		0.59		2.08		1.69		325.36

In respect of Property, Plant and Equipment the management has carried out an exercise for determining the impairment and is of the opinion that no impairment has taken place in respect of Property, Plant and Equipment.



4 Right-of-use Assets

Particulars	Plant & Equipment	Office Premises	Total
Gross Block			
As at March 31, 2020	-	11.43	11.43
Additions	5.54	1.87	7.41
As at March 31, 2021	5.54	13.30	18.84
Additions	0.48	1.59	2.07
As at March 31, 2022	6.02	14.90	20.91
Accumulated Depreciation			
As at March 31, 2020	-	3.31	3.31
Charge for the year	0.57	3.79	4.36
As at March 31, 2021	0.57	7.10	7.67
Charge for the year	0.39	4.33	4.72
As at March 31, 2022	0.96	11.43	12.39
Net block as at March 31, 2021	4.97	6.20	11.18
Net Block as at March 31, 2022	5.06	3.47	8.52

5 Capital Work In Progress

Particulars	Rs
As at March 31, 2020	11.22
Additions	13.98
Capitalized during the year	21.35
As at Mar 31, 2021	3.85
As at March 31, 2021	3.85
Additions	14.00
Capitalized during the year	0.64
As at Mar 31, 2022	17.21



Capital Work in Progress aging as at:

Particular	Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 years	Total CWIP
Projects in Progress					
As at Mar 31, 2021	0.55	2.99	0.22	0.09	3.85
As at Mar 31, 2022	14.42	0.07	2.41	0.31	17.21

Capital Work in Progress Completion overdue as at:

Projects in Progress	Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 years
As at Mar 31, 2022				
Building - Factory & Office	0.41	-	-	-
Building - Factory & Office	0.14	-	-	-
Plant & Equipment	2.87	-	-	-

Projects in Progress	Less than 1 year	1 to 2 Years	2 to 3 Years	More than 3 years
As at Mar 31, 2021				
Building - Factory & Office	-	0.41	-	-
Building - Factory & Office	-	0.14	-	-
Plant & Equipment	-	2.67	-	-

6 Intangible Assets

Particulars	Computer
Gross Block	
As at Mar 31, 2020	3.32
Additions	-
Disposals	0.00
Other Adjustments	-
As at March 31, 2021	3.32
Additions	0.01
Disposals	-
Other Adjustments	-
As at Mar 31, 2022	3.33

Accumulated Amortisation

As at Mar 31, 2020	2.45
Charge for the year	0.41
Disposals for the year	0.00
As at March 31, 2021	2.86
Charge for the year	0.23
Disposals for the year	-
Other Adjustments	-
As at Mar 31, 2022	3.09

Net Block as at March 31, 2021	0.46
Net Block as at March 31, 2022	0.24



Transrail Lighting Limited
CIN: U31506MH2008PLC179012
Explanatory notes to the standalone financial statements for the year ended March 31, 2022
(All figures in INR Crores unless otherwise stated)

7 Financial Assets-Investments

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Investment in Equity shares of Subsidiary Companies (Unquoted)				
a Transrail International FZE 200 Shares (PY 200 Shares) of 1000 AED each	0.36	-	0.36	-
b Transrail Lighting Malaysia SDN BHD 980 Shares (PY 980 Shares) of 10 MYR each	0.02	-	0.02	-
c Transrail Structures America INC. 1,000 Shares (PY 1,000 Shares) of 10 USD each	0.07	-	0.07	-
d Transrail Lighting Nigeria Limited 1,00,00,000 Shares (PY 1,00,00,000 Shares) of 1 Naira each	0.20	-	0.20	-
Investment in Equity shares of Associate Company (Unquoted)				
a Burberry Infra Private Limited 50,000 Shares (PY Nil) of Rs 10 each	0.01	-	-	-
Investment in Mutual Funds*				
a - Baroda BNP Paribas Banking & PSU Bond Fund 19,99,900.00 Units (PY 19,99,900.00 Units) of Rs 10.00 each	-	2.09	-	2.00
b - Aditya Birla Mutual Fund Sunlife Government Securities 1,60,289.76 Units (PY 1,60,289.76 Units) of Rs. 62.38 each	-	1.06	-	1.01
Total	0.66	3.15	0.65	3.01

Disclosure:-

i) Investment Carried at Cost	0.66	-	0.65	-
ii) Investment Carried at Fair Value through Profit & loss	-	3.15	-	3.01

All the above investments are fully paid up.

Aggregate Value of Unquoted Investments Rs 0.66 Crores (P.Y. Rs 0.65 Crores)

Aggregate Value of Quoted Investments Rs 3.15 Crores (P.Y. Rs 3.01 Crores)

Market Value of Quoted Investments Rs 3.15 Crores (P.Y. Rs 3.01 Crores)

*The units of mutual fund of Rs. 3.15 Crores is marked as lien against the Credit facility taken from Aditya Birla Finance Ltd.

8 Financial Assets -Trade Receivables

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Unsecured, considered good unless otherwise stated				
Considered Good		649.21		500.27
Credit Impaired [Refer note 8 (b)]		14.80		24.34
Less: - Provision for Credit Impaired		(14.80)		(24.34)
		649.21		500.27
Less :- Allowance for Expected Credit Loss [Refer note 8 (b)]		(9.48)		(9.30)
Total		639.73		490.97

a) Trade Receivable Ageing Schedule

(Ageing from bill date)

(i) **As at March 31, 2022**

Range of outstanding period	Undisputed			
	Considered Good	Significant increase in credit risk	Credit impaired	Total
less than 6 months	485.10	-	-	485.10
6 months - 1 year	62.14	-	-	62.14
1-2 year	42.98	-	0.30	43.29
2-3 year	15.24	-	0.12	15.35
> 3 years	43.75	-	14.37	58.13
Total	649.21	-	14.80	664.01



As at March 31, 2021

Range of outstanding period	Undisputed			Total
	Considered Good	Significant increase in credit risk	Credit Impaired	
less than 6 months	343.27	-	1.64	344.91
6 months - 1 year	48.74	-	0.09	48.82
1-2 year	40.21	-	0.12	40.33
2-3 year	36.96	-	4.47	41.43
> 3 years	31.09	-	18.02	49.11
Total	500.27	-	24.34	524.61

b) **Credit Impaired & Expected Credit Loss**

The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. In view thereof, the additional disclosures for changes in credit risk and credit impaired are not disclosed.

Movement in the Credit Loss Allowance

	As at Mar-22	As at Mar-21
Opening Balance	9.30	3.98
Add Created during the year	0.18	5.32
Less : Released during the year	-	-
Closing Balance	9.48	9.30

c) Trade receivables includes amount of Rs 167.17 Crores (PY Rs 120.14 Crores) due from related parties. Refer note 49

d) Trade receivables includes amount of Rs.0.88 Crores due from companies in which director is a director and member.

9 **Loans**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Loans - Unsecured				
Related Parties				
Considered Good	47.87	0.45	24.03	18.68
Credit Impaired	15.04	4.67	15.04	-
Less : Impairment Provision	(15.04)	(4.67)	(15.04)	-
Others				
Considered Good	-	-	-	6.43
Staff Loans	0.05	0.25	0.04	0.15
Total	47.92	0.70	24.07	25.26

Details of Related Parties

	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Loans - Unsecured				
Considered Good				
TLL-FCEP JV-Joint Operation	8.12	-	11.37	-
Transrail Lighting Nigeria Limited (refer note (b) below)	17.66	-	11.35	-
Transrail International FZE (refer note (b) below)	2.51	-	1.24	-
Transrail Lighting Malaysia SDN (refer note (b) below)	0.08	-	0.07	-
Consortium of Jyoti and Transrail ("CJT") - Joint Operation	-	-	-	18.23
Railsys & Transrail JV	-	0.45	-	0.45
Burberry Infra Private Limited	19.50	-	-	-
	47.87	0.45	24.03	18.68
Credit Impaired				
TLL-FCEP JV-Joint Operation	15.04	-	15.04	-
Consortium of Jyoti and Transrail ("CJT") - Joint Operation	-	4.67	-	-

a) During the year the company has given a loan of Rs 19.50 crores to its associate M/s Burberry Infra Private Ltd. for strategic purpose.

b) The loans are repayable within one year as stipulated, however the same has been classified as Non current based on management estimation of its recoverability.

c) Loans or Advances in the nature of loans granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are without specifying any terms or period of repayment.



Type of Borrower	As at Mar-22		As at Mar-21	
	Outstanding	% to (A)	Outstanding Loan	% to (A)
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	28.29	41.40	45.09	70.04
Total Loans and Advances to Promoter, Director, KMP and Related parties	28.29		45.09	
Total Loans and Advances in the nature of Loan and Advances (A)	68.33		64.37	

- d) The Company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), the details of which is tabulated hereunder :

Name of the Intermediary (Relationship)	Amount & Date	Name of the Other Company (Relationship)	Amount & Date
Loans			
1 Transrail Lighting Nigeria Limited (Subsidiary)	USD 554870 (Various dates)	TLL-FCEP JV (Joint Venture)	USD 554870 (Various dates)
2 Apart from above, the Company has given loan to its associate, M/s Burberry Infra Private Ltd. of Rs 19.50 crores on March 25, 2022 with the understanding that the said amount will be advanced as earnest money deposit towards strategic acquisition which has not concluded as at the end of the year.			

10 **Other Financial Assets**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Security Deposits				
(Unsecured, considered good unless otherwise stated)				
Related Parties	-	-	28.76	-
Others	20.20	10.74	7.50	16.38
(Unsecured, considered good unless otherwise stated)				
Interest Receivable				
Related Parties	-	2.29	-	2.33
Others	0.05	3.15	-	0.91
Insurance & Other Claim Receivables	-	4.72	-	4.72
Receivable from Related Party	-	3.44	-	0.96
Mark to Market gain on foreign currency contract	-	3.36	-	3.37
Bank Deposits with Original Maturity more than 12 months	4.02	9.24	4.06	8.25
Crop Compensation & Others	-	2.04	-	4.02
Total	24.27	38.98	40.32	40.94

a) **Details of Related Parties**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Security Deposits				
Gammon Engineers & Contractors Pvt Ltd	-	-	28.76	-
Interest Receivable				
Gammon Engineers & Contractors Pvt Ltd	-	-	-	1.87
Transrail Lighting Nigeria Ltd	-	1.88	-	0.34
Transrail Lighting Malaysia SDN BHD	-	0.01	-	0.01
Transrail International FZE	-	0.34	-	0.12
Burberry Infra Private Ltd	-	0.06	-	-
Other Receivable				
Transrail Lighting Foundation	-	2.34	-	-
Transrail Lighting Malaysia SDN BHD	-	0.08	-	0.07
Transrail Structures America INC	-	0.08	-	0.06
Transrail International FZE	-	0.92	-	0.78
Transrail Lighting Nigeria Ltd	-	0.03	-	0.04



11

Inventories

Particulars	As at Mar-22		As at Mar-21	
	Current		Current	
Raw Material In hand	141.59		111.45	
Work In Progress	14.56		9.84	
Finished Goods				
a) In hand	62.15		49.65	
b) In transit	-		10.29	
Consumable Stores & Spares	26.87		28.79	
Bought Out Components	31.24		19.81	
Others - Scrap	2.07		2.63	
Total	278.48		232.46	

a) The disclosure of Inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at Mar-22	As at Mar-21
Amount of inventories recognised as an expense	1,239.03	1,145.57
Inventory write down	1.96	1.59
Total	1,240.99	1,147.16

12

Cash and Bank Balance

12 (a)

Cash & Cash Equivalents

Particulars	As at Mar-22		As at Mar-21	
	Current		Current	
(i) Balances with Banks	16.74		44.72	
(ii) Balance with Banks -Foreign Branches	33.51		25.24	
(iii) Fixed Deposits with Bank	4.01		1.59	
(iv) Cheques on Hand	-		15.51	
(v) Cash on Hand	0.56		1.72	
Total	54.82		88.78	

12 (b)

Bank Balance other than cash and cash equivalents

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Fixed deposits held as margin money	-	44.03	-	36.68
Other Bank Balances with repatriation restrictions	-	-	-	1.76
Total	-	44.03	-	38.44

13

Contract Assets

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Considered Good		1,103.28		668.18
Credit Impaired		11.44		14.98
		1,114.72		683.16
Less: - Provision for Credit Impaired		(11.44)		(14.98)
		1,103.28		668.18
Less :- Allowance For Expected Credit Loss [Refer note 8 (b)]		(8.85)		(5.95)
Total		1,094.43		662.23

Movement in the Credit Loss Allowance

	As at Mar-22	As at Mar-21
Opening Balance	5.95	3.53
Add : Created during the year	2.91	2.42
Less : Released during the year	-	-
Closing Balance	8.86	5.95



14 Other Assets (Unsecured, considered good)

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Capital Advances	16.16	-	0.43	-
Advance to Suppliers				
Related Parties				
Considered Good	-	1.87	-	-
Credit Impaired	-	-	-	1.46
Less : Impairment Provision	-	-	-	(1.46)
Others				
Considered Good	-	83.49	-	108.69
Credit Impaired	0.18	3.66	0.18	2.20
Less : Impairment Provision	(0.18)	(3.66)	(0.18)	(2.20)
Others				
Taxes Paid Net of Provisions	18.34	-	12.81	-
Prepaid Expenses	-	24.19	-	11.56
Balances with Tax Authorities	9.83	89.30	13.48	36.54
Deferred input tax credit	-	22.88	-	31.63
Staff Advances	-	1.17	-	1.18
Others	-	0.40	-	0.42
Total	44.33	223.30	26.72	190.02

15 Equity Share Capital

Particulars	As at Mar-22		As at Mar-21	
	Numbers	Amount	Numbers	Amount
Face Value (In Rs.)		Rs. 10 each		Rs. 10 each
Class of Shares		Equity Shares		Equity Shares
Authorised Capital	3,50,00,000	35.00	3,50,00,000	35.00
Issued, Subscribed and Paid up Capital	2,27,08,440	22.71	75,69,480	7.57
Total	2,27,08,440	22.71	75,69,480	7.57

Disclosures:

i) Reconciliation of Shares

Particulars	As at Mar-22		As at Mar-21	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning of the period	75,69,480	7.57	42,00,000	4.20
Issued under Rights Issue (Refer note (d) below)	1,51,38,960	15.14	33,69,480	3.37
Shares outstanding at the end of the period	2,27,08,440	22.71	75,69,480	7.57

- a) As per the order of the National Company Law Tribunal dated March 30, 2017, the issued, paid-up and subscribed share capital of the Company of Rs. 31.00 Crores comprising of 31,000,000 equity shares of Rs. 10 each has been reduced to Rs. 0.20 Crores comprising of 200,000 equity shares of Rs. 10 each/- upon the Scheme of Arrangement becoming effective. The scheme of arrangement is effective from January 1, 2016, the appointed date stated in the scheme, in term of the provision of Section 232(6) of the Companies Act, 2013. Thus the effects has been given in the financial for the year ended 31.03.2017. As provided in the scheme, the reduced amount of Rs. 30.80 Crores, has been utilized for adjusting the debit balance in the profit and loss account of the Company and excess, if any shall be credited to the capital reserve account of the Company. Accordingly, the existing issued, subscribed and paid up Share capital stands reduced to Rs. 0.20 Crores and an amount of Rs 11.67 Crores has been credited to the opening surplus account and the balance amount of Rs. 19.13 Crores has been credited to capital reserve account.

During the year 2017-18, Following were issued for consideration other than cash:

- i) Pursuant to the Scheme of Arrangement and in accordance with the directions of the NCLT the company has issued 7,25,000 Equity shares of Rs 10 each to Gammon India Limite (GIL).
- ii) The company has allotted 2,75,000 OFCD's to Gammon India Limited as per the share holders agreement entered into between the company and Gammon India Limited. Gammon India Limited had informed the company that it wished to exercise their rights to convert the aforesaid OFCD's in equity shares. Accordingly, the company issued & allotted 2,75,000 equity shares to Gammon India Limited.
- b) Pursuant to the conversion of the Optionally Convertible Debentures on 30th October 2017, 30,00,000 equity shares have been issued to M/s Ajanma Holdings Private Limited and M/s Gammon India Limited and an amount of Rs 48.80 Crores has been credited to Securities Premium account.
- c) During the previous year the Company has issued 33,69,480 equity shares of face value of Rs. 10/- each on right basis ('Rights Equity Shares') to the Eligible Equity Shareholders at an issue price of Rs. 80 per Rights Equity Share (including premium of Rs. 70 per Rights Equity Share). In accordance with the terms of issue, Rs. 20 i.e. 25% of the Issue Price per Rights Equity Share (including a premium of Rs 17.50 per share), was received on application, Rs. 20 i.e. 25% of the Issue Price per Rights Equity Share (including a premium of Rs 17.50 per share), was received on allotment. The Board had made First and final call of Rs. 40 per Rights Equity Share (including a premium of Rs. 35 per share) on shareholders which has been received.

During the year 2021-22, the Company issued 1,51,38,960 equity shares of face value of Rs 10 each at the premium of Rs 10 each on right basis ('Rights Equity Shares').



ii) Details of Shareholding in excess of 5%

Name of Shareholder	As at Mar-22		As at Mar-21	
	Number of	%	Number of Shares	%
Ajanma Holdings Pvt Ltd	2,10,72,738	92.80%	65,67,664	86.77%

iii) Details of Shareholdings by the Promoter/Promoter group

Name of the Promoter	As at Mar-22	As at Mar-21
Ajanma Holdings Private Limited		
No of Shares	2,10,72,738	65,67,664
% of total shares	92.80%	86.77%
% change 2021-22	6.03%	

iv) Rights and obligations of shareholders

As per the records of the Company, including its register of shareholders / members and other declarations, if any, received from shareholders, the shareholding as shown in clause (ii) above represents legal as well as beneficial ownership of the shares.

v) Terms / rights attached to equity shares

- a) The Company has only one class of equity shares having a par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The distribution will be in proportion to the number of equity shares held by the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets, if any, of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- b) During the earlier period, the option granted to eligible employees as per TLL Employee Stock Option Scheme, 2019 became vested with the option holders. Refer Note 48

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Other Equity		As at Mar-22	As at Mar-21
Particulars			
Retained Earnings (Surplus)		492.99	426.18
Security Premium		87.53	72.39
Capital Reserve		62.24	62.24
Debenture Redemption Reserve		0.04	0.19
Employee Stock Option Outstanding		1.40	1.40
Other Comprehensive Income		2.87	2.08
Total		647.07	564.48

i) Capital Reserve

As per the order of the National Company Law Tribunal dated March 30, 2017, the issued, paid-up and subscribed share capital of the Company of Rs. 31.00 Crores comprising of 31,000,000 equity shares of Rs. 10 each has been reduced to Rs. 0.20 Crores comprising of 200,000 equity shares of Rs. 10 each/- upon the Scheme of Arrangement becoming effective. The Scheme of Arrangement is effective from January 1, 2016, the appointed date stated in the scheme, in term of the provision of Section 232(6) of the Companies Act, 2013. As provided in the scheme, the reduced amount of Rs. 30.80 Crores, has been utilized for adjusting the debit balance in the profit and loss account of the Company and excess, if any shall be credited to the capital reserve account of the Company. Accordingly, the existing issued, subscribed and paid up Share capital stands reduced to Rs. 0.20 Crores and an amount of Rs 11.67 Crores has been credited to the opening surplus account and the balance amount of Rs. 19.13 Crores has been credited to Capital Reserve account.

ii) Debenture Redemption Reserve

As part of Business Transfer Agreement and Scheme of Arrangement, the Company has agreed to redeem specified amount of non convertible debentures issued by Gammon India Limited. The Companies (Share Capital and Debentures) Rules, 2014 require the Company to create a Debenture Redemption Reserve (DRR) out of profits of the company available for distribution of dividend. Refer Note 17

The Company has however not set aside or earmarked liquid assets of Rs 0.06 Crores (P.Y. Rs. 0.15 Crores) being 15% of the amount of Debenture due for redemption as at March 31, 2022 as required by the Companies Act, 2013 .

The Company feels that considering the available Cash and Bank Balances on hand it is confident it will be able to repay the Debentures on it's due dates.



Long Term Borrowings

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current Maturities	Non Current	Current Maturities
Non Convertible Debentures Secured				
Placed with Banks and Financial Institutions	-	0.39	0.79	1.00
Term Loans from Banks-Secured				
Priority Loan				
Rupee Term Loan (RTL) -1	2.60	6.27	9.96	6.55
Rupee Term Loan (RTL) -3	0.91	1.63	1.44	1.90
Funded Interest Term Loan (FITL)	3.55	10.25	14.45	9.78
Working Capital Term Loan (WCTL)	7.69	28.85	36.37	27.97
Emergency Credit Line Guarantee Scheme (ECLGS)	64.31	16.59	35.42	-
Emergency Credit Line Guarantee Scheme (ECLGS 2.0 Extension)	17.71	-	-	-
Term Loans from Others-Secured				
Capex Loan	21.20	16.96	-	-
Total	117.97	80.94	98.43	47.20

(a) The company entered into a Business Transfer Agreement (BTA) with Gammon India Limited (GIL) pursuant to which long term borrowings amounting to Rs 200.13 crores and short term borrowings of Rs 29.99 crores of GIL were transferred to the Company. Further pursuant to the Scheme of Arrangement and order of NCLT dated 30th March 2017, long term borrowing amounting to Rs 93.35 crores and short term borrowings amounting to Rs 181.75 crores were transferred to the Company upon execution of novation agreement with lenders effective from January 1, 2016. The carve out of the borrowing pursuant to the BTA has been substantially completed except few lenders. Carve out of Non Convertible Debentures, though agreed upon by GIL and the company, is yet to be approved and executed by the debenture holders. The security for the borrowings assumed under the Scheme of Arrangement has been created.

(b) **Securities for Term Loans and NCD as per Novation agreement with the lenders :**

Rupee Term Loan-1 (RTL1), Working Capital Term Loan (WCTL) and Funded Interest Term Loan (FITL) thereon -

i) 1st pari-passu charge on the entire Property, Plant and Equipments (movable and immovable), both present and future of the Company.

ii) 2nd pari-passu charge on the entire Current Assets, Loans and Advances, long term trade receivables and other assets pertaining to the Company.

Non Convertible Debentures

i) First ranking pari passu security interest on entire Property, Plant and Equipments (movable and immovable), both present and future of the company.

Rupee Term Loan-3 (RTL3)

ii) 2nd pari-passu charge on the entire Property, Plant and Equipments (movable and immovable), both present and future of the Company.

(c) **Emergency Credit Line Guarantee Scheme (ECLGS) & ECLGS 2.0 Extension**

i) Pari passu 1st charge on assets created of the credit facilities being extended

ii) Pari passu 2nd Charge with the existing credit facilities in terms of cash flows (including repayments) and security.

iii) ECLGS loans carry an interest rate ranging from 7.95 % to 8.40%

(d) **Capex Loan**

Exclusive charge on the machinery and equipment's so financed upto 1.25 times and demand promissory note, loan carries an interest rate of 11%. Loan is repayable in equal instalment within 36 months after Moratorium of 6 months.

(e) **Repayment Terms**

Type of Loan

RTL-1, RTL -3, WCTL

NCD

FITL

ECLGS Loan

ECLGS Loan 2.0 ext

Capex Loan

Repayment Schedule

Repayable in 11 quarterly unequal instalments commencing on 15 October 2020 and ending on 15 April 2023.

Repayable in 11 quarterly instalments of Rs.25.54 Lakhs commencing on 15th April 2020 and ending on 15th October, 2022.

Repayable in 21 quarterly unequal ballooning instalments commencing on 15 April 2018 and ending on 15 April 2023

Repayable in 48 equal monthly instalments commencing in April 2022 after an initial moratorium of one year

Repayable in 48 equal monthly instalments commencing in April 2024 after an initial moratorium of two years

Repayable in 10 equated quarterly instalments commencing in March 2022 after an initial moratorium of six months



(f) Maturity profile of Term Loans and NCD

Period	As at Mar-22		As at Mar-21	
0 - 1 years	80.94		47.21	
1 - 2 Years	51.94		57.39	
2 - 3 years	28.89		23.35	
3 - 4 years	24.65		8.86	
4 - 5 years	8.06		8.85	
More than 5 years	4.43		-	
TOTAL	198.92		145.66	

(g) Reconciliation of Cash flows from financing activities

Particulars	Non-current borrowings (Including Current Maturities)	Current borrowings	Total
Opening balance	158.39	210.87	369.26
Proceeds from / (Repayment of) Short Term Borrowings	-	72.61	72.61
Loan Taken during the year	35.42		35.42
Interest converted to loan	6.44	-	6.44
Repayment of Loan	(54.61)	-	(54.61)
As at 31 March 2021	145.64	283.48	429.12
Loan Taken during the year	103.19	-	103.19
Repayment of Loan	(49.91)		(49.91)
Proceeds from / (Repayment of) Short Term Borrowings		(13.28)	(13.28)
As at 31 March 2022	198.92	270.20	469.12

(h) The company has taken fresh loans during the year and have used the borrowings taken from banks and financial institutions for the specific purpose for which they were taken.

(i) During the year the company has paid all the interest and instalments on time.

(j) Registration of charges or Satisfaction with Registrar of Companies

Registration of Charge

As at March 31, 2022, the Company has registered all charges duly with the Registrar of Companies in favour of the lenders.

Satisfaction of Charge

There are charges disclosed as outstanding of Rs. 134 crores as at March 31, 2022 in respect of borrowings which have been repaid long back. The Company is unable to clear the the satisfaction for lack of requisite documentation from the lenders. The matter is being followed up by the Company.

18 **Other Financial Liabilities**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Liabilities under Court Scheme & BTA*	53.29	-	49.91	-
Payable for Capital goods				
- Micro and Small Enterprises		0.10		0.10
- Others		3.34		3.93
Interest accrued		7.78		4.90
Employee Liability		26.10		19.41
Total	53.29	37.32	49.91	28.34

* Pursuant to the approval of Scheme of arrangement by NCLT and BTA agreement between Gammon India Limited & Transrail Lighting Limited (TLL), there are allocation of borrowings transferred to the company. The company and lenders also entered in to various agreement for creation of security, but there are certain lenders (Insurance companies) who have not signed the novation agreements. Since the Insurance companies have not recorded TLL as a borrower, the company is unable to discharge their liabilities, including interest. In accordance with Legal advise sought in this matter, the Company has disclosed the aforesaid liability on account of NCDs including interest thereon as Non Current Financial Liability under Court Scheme & BTA pending settlement of Novation issue and recognitions by the holders of NCDs to the novation. Due to reason mentioned above same is not shown as default.

19 **Lease Liabilities**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Lease Liabilities - Property, Plant and Equipments	2.08	1.73	2.47	1.55
Lease Liabilities - Office Premises	1.39	2.20	2.15	4.73
Total	3.47	3.93	4.62	6.28



20	Contract Liabilities	Particulars	As at Mar-22		As at Mar-21	
			Non Current	Current	Non Current	Current
		i) Amount due to Customer for Contract works	-	33.93	-	32.05
		ii) Advance from Customer	-	426.29	-	153.29
		Total	-	460.22	-	185.34

21	Provisions	Particulars	As at Mar-22		As at Mar-21	
			Non Current	Current	Non Current	Current
		Provision for employee benefits				
		Provision for Gratuity	-	1.94	-	1.00
		Provision for Leave Encashment	4.40	0.46	3.95	0.28
		Provision for Income Tax	-	1.79	-	0.86
		Others:				
		Provision for Contractual Obligation (refer note (A) below)	-	12.92	-	22.12
		Provision for expected loss on long term contracts	-	34.11	-	7.71
		Total	4.40	51.22	3.95	31.97

- A) A provision is recognised for the expected amount of shortages on materials to be supplied to the client, rectification and replacement of services performed pursuant to the contract with the client. Assumption used to calculate the provisions is based on past experience and management estimates.

Particulars	2021-22	2020-21
Provision for Contractual Obligation		
Opening	22.12	17.31
Provided during the period	-	5.38
Utilised/(Reversal) during the period	(9.20)	(0.57)
Closing balance	12.92	22.12

- B) The disclosures required under Ind AS 19 "Employee Benefits" are given below:

(i) **Defined Benefit Plan**

- a The Company has an obligation to provide to the eligible employees defined benefit plans such as gratuity. The gratuity plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days of salary payable for each completed year of service or part thereof. Vesting occurs upon completion of 5 consecutive years of service. The measurement date used for determining retirement benefit for gratuity is March 31.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The Company has defined benefit plans for gratuity which is funded through Life Insurance Corporation of India (LIC) group gratuity scheme.

- b These plans typically expose the company to the actuarial risks, investment risks, interest rate risk, liquidity risk and salary risk

Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.



Market risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligations and the same will have to be recognized immediately in the year when any such amendment is effective.

Particulars	As at Mar-22 Gratuity Funded	As at Mar-21 Gratuity Funded
a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	8.36	7.77
Obligation in respect of transferred employees	-	-
Current Service Cost	1.21	1.13
Interest Cost	0.56	0.52
Actuarial (Gain) /Loss	(0.32)	(0.38)
Past employees Service	-	-
Benefits paid	(0.72)	(0.68)
Prior Period Charges	-	-
Defined Benefit obligation at the year end	<u>9.09</u>	<u>8.36</u>
b) Reconciliation of opening and closing balances of fair value of plan assets*		
Fair Value of plan assets at the beginning of the year	7.36	5.50
Expenses deducted from fund	-	-
Interest Income	0.53	0.40
Return on Plan assets excluding amounts Included in Interest Income	(0.06)	(0.06)
Actuarial Gain/ (Loss)	-	-
Employer Contribution	0.03	2.20
Benefits Paid	(0.72)	(0.68)
Adjustment to the Opening Fund	-	-
Fair Value of Plan Assets at the year end	<u>7.14</u>	<u>7.36</u>
*100% planned assets are invested in policy of Insurance		
c) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets at end of the year	7.14	7.36
Present value of obligation as at the end of year	(9.09)	(8.36)
Amount recognized in Balance Sheet	<u>(1.95)</u>	<u>(1.00)</u>
d) Expenses recognized during the year (Under the head "Employee Benefits Expense")		
Current Service Cost	1.21	1.13
Interest Cost	0.03	0.12
Net Cost	<u>1.24</u>	<u>1.25</u>
Other Comprehensive Income for the Period		
Components of actuarial (gain)/losses on obligation		
Due to experience adjustments	(0.32)	(0.38)
Return on plan assets excluding amount including in Interest income	0.06	0.06
Actuarial (Gain)/Loss	-	-
Amount recognised in Other Comprehensive (Income) / Expense	<u>(0.26)</u>	<u>(0.32)</u>
Actuarial assumptions		
Mortality Table		
Discount rate (per annum)	7.25%	6.85%
Withdrawal Rates	5% p.a. at younger ages reducing to 1% p.a. at older ages	5% p.a. at younger ages reducing to 1% p.a. at older ages
Rate of escalation in salary (per annum)	6.00%	6.00%



The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan. Since the liabilities are unfunded there is no asset liability matching strategy devised for the plan

A quantitative Sensitivity analysis for significant assumption as at March 31, 2022

Gratuity Plan Assumptions	As at Mar-22		As at Mar-21	
	Discount rate		Discount rate	
Sensitivity level	0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation	8.61	9.62	7.91	8.87
	Salary Growth Rate		Salary Growth Rate	
Sensitivity level	0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation	9.58	8.62	8.84	7.92
	Withdrawal Rate		Withdrawal Rate	
Sensitivity level	10% Increase	10% decrease	10% Increase	10% decrease
Impact on defined benefit obligation	9.12	9.07	8.38	8.35

The sensitivity analysis above has been determined based on method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumption occurring at the end of reporting period.

Maturity Profile of the defined benefit obligation

	As at Mar-22	As at Mar-21
Within next 12 months	0.52	0.42
Between 2-5 years	2.22	1.98
Between 6 - 10 years	3.33	2.80
Total expected payments	6.07	5.20

The Expected contribution for the next year is Rs 1.38 Crores (P.Y Rs 1.00 Crores).

(ii) Defined contribution plans

Contribution to Defined Contribution Plan recognized / charged off for the year are as under:-

	2021-22	2020-21
Employer's Contribution to Provident Fund	4.08	3.35

22 Deferred tax liabilities (Net)

Particulars	As at Mar-22	As at Mar-21
Deferred tax liabilities:		
Property, Plant and Equipment	28.05	29.12
Right-of-use Asset	2.15	2.81
Other Intangible assets	(0.05)	(0.03)
	30.15	31.90
Deferred tax assets:		
Provision for Trade Receivable and Loans	12.14	14.65
Tax allowances u/s 43B	5.86	3.64
Tax Losses	1.27	1.27
Employee Benefits and others tax disallowance	10.89	12.34
	30.15	31.90
Deferred tax Asset (Net)	-	-

The Company has accounted for Deferred Tax Asset on Tax disallowances on a prudent basis only to the extent of Deferred Tax Liability as there is reasonable probability of future taxable income to the extent of reversal of temporary tax differences.

23 Other Current Liabilities

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Security Deposits	-	1.10	-	1.20
Duties & Taxes	-	13.67	-	16.66
Others	-	8.06	-	7.04
Total	-	22.83	-	24.90



Short Term Borrowings

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Loans repayable on demand:				
From Banks				
Cash Credit from Consortium Bankers	-	56.19	-	93.97
Working Capital Demand Loan (WC DL)	-	189.48	-	185.62
From Others				
Purchase Financing Facility	-	24.52	-	3.89
Current Maturities of Term Loan	-	80.94	-	47.21
Total	-	351.13	-	330.69
Secured		326.61		326.80
Unsecured		24.52		3.89

- i) Cash Credit facility & WC DL carries an interest rate ranging from 10.85% to 13.75% .
- ii) Securities - Cash Credit/WC DL from Consortium Bankers :
- a) 1st pari-passu charge on the entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.
- b) 2nd pari-passu charge over the entire Property, Plant and Equipments (Immovable and movable) both present and future of the Company.
- iii) Lien is marked on the units of Mutual Fund of Rs. 3.15 Crores is marked as lien against the Purchase Finance Facility taken from Aditya Birla Finance Ltd.
- iv) Borrowings from banks and financial institution on the basis of security of current assets -
Quarterly returns filed by the company with bank or financial institution are largely in agreement with books of accounts except insignificant changes as per the details and for the reasons detailed in Annexure I.

Trade Payables

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Trade Payables				
- Micro and Small Enterprises	-	56.23	-	12.21
- Others	-	522.72	-	444.04
- Acceptance (refer note 25 (c))	-	491.62	-	387.10
Total	-	1,070.57	-	843.35

Trade Payable Ageing Schedule

(Ageing from due date of payment)

As at March 31, 2022

Range of outstanding period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	101.23	-
Not Due	0.07	-	441.42	-
Less than 1 year	50.90	-	392.53	-
1-2 years	3.47	-	28.90	-
2-3 year	1.13	-	15.82	-
> 3 years	0.67	-	34.45	-
Total	56.23	-	1,014.34	-

As at March 31, 2021

Range of outstanding period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	51.09	-
Not Due	0.22	-	2.86	-
Less than 1 year	9.92	-	676.21	-
1-2 years	1.31	-	26.54	-
2-3 year	0.62	-	22.26	-
> 3 years	0.14	-	52.19	-
Total	12.21	-	831.15	-



a) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management under the MSME Act 2006.

b) **MSME Disclosure**

<u>Details of dues to micro and small enterprises as defined under MSME Act, 2006</u>	<u>2021-22</u>	<u>2020-21</u>
i Principal amount due	56.33	12.21
ii Interest due on above	0.66	0.14
iii Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006		
- Principal amount paid beyond appointed day	62.58	49.88
- Interest paid thereon	-	-
iv Amount of interest due and payable for the period of delay	2.06	1.59
v Amount of interest accrued and remaining unpaid as at year end	5.93	3.87
vi Amount of further interest remaining due and payable in the succeeding year	-	-

c) Trade payable include an amount of Rs 363.00 Crores (P.Y. Rs. 387.10 Crores) being acceptances under Letter of credit opened by the lenders of the Company which is secured by the underlying materials and forms part of secured facility.

26 **Current Tax liability**

Particulars	As at Mar-22		As at Mar-21	
	Non Current	Current	Non Current	Current
Current Tax Liability - net of taxes paid	-	-	-	5.31
Total	-	-	-	5.31

27 **Revenue from Operations**

Particulars	2021-22	2020-21
Sale of Products	206.78	250.86
Income From EPC Contracts	2,055.85	1,854.11
Sale of Services	21.52	16.47
Total	2,284.15	2,121.44

Disclosure in accordance with Ind AS - 115 "Revenue from Contracts with Customers", of the Companies (Indian Accounting Standards) Rules, 2015

a) Method used to determine the contract revenue :
Method used to determine the stage of completion of contract :

Input Method
Stage of completion is determined as a proportion of costs incurred upto the reporting date to the total estimated cost to complete

i) Revenue disaggregation by type of Service is as follows:

Major Service Type

	2021-22	2020-21
EPC Contract	2,055.85	1,854.11
Sale of Products / Services	228.30	267.33
Total	2,284.15	2,121.44

ii) Revenue disaggregation by geographical regions is as follows:

	2021-22	2020-21
- In India	1,417.04	1,672.94
- Outside India	867.11	448.50
Total	2,284.15	2,121.44

iii) Revenue disaggregation by Customer Type is as follows:

Customer Type

	2021-22	2020-21
Government Companies*	1,850.97	1,518.96
Non Government Companies	433.18	602.48
Total	2,284.15	2,121.44

* Government Companies include the Indian as well as foreign government companies

iv) All contracts are fixed price contract and changes will result due to Force Majeure / arbitration claims, Price Variation and Quantity Escalation.

b) **Movement in Contract liability**

Particulars	Opening	Adjusted during the year	Received during the year	Closing
March 2022	185.34	(99.29)	374.17	460.22
March 2021	216.71	(325.30)	293.93	185.34



c) Performance obligation and remaining performance obligation

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs 5907 Crores. The projects which substantially involve transmission and distribution projects have execution life cycle of 18 to 30 months. The Civil EPC projects have an execution life cycle of 24 to 36 months. Out of the balance unsatisfied contracts, the Company expects to approximately execute 50% to 55% as revenue in the next 12 months depending upon the progress on such contracts. The balance unsatisfied performance obligation would be completed in the subsequent year.

d) Contract Price Reconciliation in respect of EPC Contracts

	2021-22	2020-21
Contract Price	2,009.38	1,847.52
Add / Less : Adjustments	-	-
Escalations & other Variations	46.47	6.59
Revenue Recognised	2,055.85	1,854.11

28 Other Operating Revenue

Particulars	2021-22	2020-21
Sale of Scrap	37.05	22.53
Job work	7.57	4.23
Export Incentive	6.46	6.07
Sundry Credit Balances written Back	12.44	12.97
Others	2.36	0.51
Total	65.88	46.31

29 Other Income

Particulars	2021-22	2020-21
Interest Income	5.06	2.88
Profit on sale of Assets	0.05	0.18
Miscellaneous Income	2.24	4.02
Total	7.35	7.08

30 Cost of Materials Consumed

Particulars	2021-22	2020-21
Material Consumed (Factory)		
Opening Stock	55.31	65.44
Add : Purchases (Net of Discount)	836.79	810.58
Less : Closing Stock	(70.66)	(55.31)
Material Consumed	821.44	820.71
Materials Consumed (Sites)		
Opening Stock	56.14	38.61
Add : Purchases (Net of Discount)	399.32	186.53
Less : Closing Stock	(70.93)	(56.14)
Material Consumed	384.53	169.00
Total	1,205.97	989.71

31 Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

Particulars	2021-22	2020-21
Inventory Adjustments - WIP		
Work In progress at Opening	9.84	23.09
Work In progress at Closing	(14.56)	(9.84)
Inventory Adjustments - FG		
Stock at Commencement	62.57	104.66
Less : Stock at Closing	(64.22)	(62.57)
Inventory Adjustments - Bought out Material		
Stock at Commencement	19.81	24.77
Less : Stock at Closing	(31.24)	(19.81)
Total	(17.80)	60.30

32 Sub-contracting Expenses

Particulars	2021-22	2020-21
Sub-contracting Expenses	354.04	353.73
Total	354.04	353.73



33	Employee Benefits Expense		2021-22	2020-21
	Particulars			
	Salaries, Bonus, Perquisites etc.		152.09	124.52
	Contribution to Employees welfare funds		4.75	3.75
	Expense on Employee Stock Option Scheme		-	0.97
	Staff Welfare expenses		2.60	1.70
	Total		159.44	130.94
34	Finance Costs			
	Particulars		2021-22	2020-21
	Interest Expense		66.87	80.45
	Interest on lease liability		1.07	1.16
	Interest on direct and indirect tax		3.15	3.27
	Interest Others		5.95	4.61
	Other Borrowing cost		7.80	3.98
	Total		84.84	93.47
35	Depreciation & Amortisation			
	Particulars		2021-22	2020-21
	Depreciation		32.36	28.12
	Amortisation		4.95	4.76
	Total		37.31	32.88
36	Other Expenses			
	Particulars		2021-22	2020-21
	Consumption of Stores and Spares		52.83	97.15
	Bank Charges & Bank Guarantee charges		53.71	43.56
	Power & Fuel		7.89	9.20
	Rent		20.24	17.37
	Rates & Taxes		7.40	7.92
	Repairs & Maintenance			
	-Building		1.78	0.30
	-Machinery		2.46	2.55
	-Others		1.74	1.67
	Security Expenses		6.77	7.88
	Printing & Postage		1.95	1.75
	Sundry Debit Balances Written off		8.01	0.74
	Bad debts written off		8.35	3.73
	Allowance for Expected and Lifetime credit loss		1.89	10.09
	Loss on Sale of Investment in Subsidiary		-	5.04
	Assets discarded		0.04	-
	Provision for Expected Contractual Obligation		27.88	1.54
	Corporate Social Responsibility Expenditure		2.72	2.20
	Insurance		17.15	10.73
	Donation		0.02	0.03
	Travelling Expenses		11.33	5.52
	Vehicle Expense		20.30	30.87
	Project Consultancy Charges		41.65	9.22
	Freight & Other Expenses		113.64	82.26
	Net Foreign Exchange Gain		(18.82)	(8.60)
	Professional Fees		20.55	14.76
	Remuneration to Auditors			
	- Audit Fees		0.60	0.60
	- Certification & Others		0.07	0.06
	Foreign Branch Auditors Fees		0.28	0.31
	Other Expenses		29.23	20.49
	Total		441.66	378.94



37 Corporate Social Responsibility Expenditure (CSR)

The company is covered under section 135 of the companies act, the following is the disclosed with regard to CSR activities:-

Particulars	2021-22	2020-21
1 Gross amount required to be spent by the company during the year	2.34	2.20
2 Amount approved by the Board to be spent during the year	2.34	2.15
- Ongoing	2.34	1.55
- Other than ongoing	-	0.60
3 Amount spent during the year on:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above		
i) For 21-22	-	-
ii) For 20-21	1.55	0.65
ii) For earlier years	0.38	-
Total	1.93	0.65
4 Shortfall at the end of the year,	2.34	1.55
5 Total of previous years shortfall,	-	-
6 Reason for shortfall-	NA	NA

7 Nature of CSR activities-

Particulars	2021-22	2020-21
(a) disaster management, including relief, rehabilitation and reconstruction activities	0.34	0.28
(b) social causes including education and health care	1.54	0.37
(c) ensuring animal welfare	0.05	-
	1.93	0.65

8 The movement in the provision during the year is disclosed hereunder:

Particulars	2021-22	2020-21
(a) Opening Provision	1.55	-
(b) Spent during the year	(1.55)	-
(c) Created during the year	2.34	1.55
(d) Closing Provision	2.34	1.55

9 Disclosures under section 135(5) and 135(6)

A In case of S. 135(5) unspent amount

Particulars	2021-22	2020-21
Opening Balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6	-	-
Amount required to be spent	-	0.65
Amount spent during the year	-	0.65
Shortfall / (Excess)	-	-

B In case of S. 135(6) (Ongoing Projects)

Particulars	2021-22	2020-21
(a) Opening Balance		
- With Company	1.55	-
- In Separate CSR unspent account	-	-
(b) Amount transferred from Company's Bank account to Separate CSR unspent account	1.55	-
(c) Amount required to be spent during the year	2.34	1.55
(d) Amount spent during the year		
- From Company's Bank Account	-	-
- From Separate CSR unspent account	1.55	-
(e) Carryforward to future years	2.34	1.55
(f) Excess Spent during the year	-	-
(g) Closing Balance		
- With Company	2.34	1.55
- In Separate CSR unspent account	-	-



Tax Expenses

Particulars	2021-22	2020-21
Reconciliation of statutory rate of tax and effective rate		
1. Current Tax-Domestic	23.70	32.85
2. Deferred Tax Liability / (asset)	-	-
3. Excess Provision of earlier years	1.76	-
Total	25.46	32.85
Accounting Profit before Income Tax	91.92	134.86
At India's statutory income tax rate	25.17%	25.17%
Tax on long term capital gain	23.30%	23.30%
Tax on profit	23.13	33.94
Effect of non deductible expense	14.84	16.67
Effect of deductible expenses	(14.28)	(19.18)
Additional provisions on Foreign Branches	-	1.41
Additional provisions on prudence	-	0.02
Current Tax Expense for the year	23.69	32.85

Significant Components of Deferred Tax for the year ended March 31, 2022

Particulars	Opening	Recognised in Profit and Loss	Closing Balance
Property, Plant and Equipment	(29.12)	(1.07)	(28.05)
Right of Asset	(2.81)	(0.67)	(2.15)
Other Intangible assets	0.03	(0.02)	0.05
Provision for Trade Receivable and Loans	14.65	2.52	12.14
Tax Disallowances u/s 43B	7.42	1.57	5.86
Short term capital loss	1.27	-	1.27
Employee benefit and other tax disallowance	8.55	(2.33)	10.89
	-	-	-

Significant Components of Deferred Tax for the year ended March 31, 2021

Particulars	Opening	Recognised in Profit and Loss	Closing Balance
Property, Plant and Equipment	(29.78)	(0.66)	(29.12)
Right of Asset	(2.04)	0.77	(2.81)
Other Intangible assets	(0.02)	(0.05)	0.03
Provision for Trade Receivable and Loans	11.92	(2.73)	14.65
Tax Disallowances u/s 43B	15.72	8.30	7.42
Short term capital loss	-	(1.27)	1.27
Employee benefit and other tax disallowance	4.20	(4.35)	8.55
	-	-	-

39 Earnings Per Share

Earnings Per Share (EPS) = Net Profit attributable to Shareholders / Weighted Number of Shares Outstanding

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit attributable to the Equity Share holders (Rs in Crore)	66.46	102.01
Outstanding Number of Equity Shares at the Beginning of the year	75,69,480	42,00,000
Share issued during the year	1,51,38,960	33,69,480
Closing number of shares at the end of year	2,27,08,440	75,69,480
Weighted Number of Shares during the period – Basic	1,11,36,468	62,47,074
Weighted Number of Shares during the period – Diluted	1,11,36,468	62,47,074
Earning Per Share – Basic (Rs)	59.67	163.30
Earning Per Share – Diluted (Rs)	59.67	163.30

40 Disclosure in accordance with Ind AS – 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

A) For changes in the carrying value of right of use assets for the year ended March 31, 2022 Refer Note 4

B) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	March 31, 2022	March 31, 2021
Less than one year	3.93	6.28
One to five years	4.51	6.33
More than five years	-	-
Total	8.43	12.61



C) The following is the movement in lease liabilities

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning	10.90	7.99
Addition in liability during the year	2.02	7.37
Interest on lease liabilities	1.07	1.00
Payment of lease liabilities	(6.60)	(5.46)
Closing balance	7.39	10.90

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

41 Joint Operations

Particulars	Ownership Interest	Ownership Interest
Joint Operations	2021-22	2020-21
i) Consortium of Jyoti Structures Ltd & Transrail Lighting Ltd (CJT) (Bhutan)	50%	50%
ii) Transrail Lighting Ltd - First Capital Energy & Power Ind Ltd JV (Nigeria)	30%	30%
iii) Rallsys engineering Pvt Ltd & Transrail Lighting Limited -	51%	51%
iv) Transrail Lighting Ltd & Gammon Engineers & Contractors Pvt Ltd.	40%	40%
v) TLL Metcon Pravesh JV	60%	60%

42 Segment Reporting

The Company is primarily engaged in Engineering, Procurement and Construction business (EPC) relating to infrastructure inter alia relating to products, projects and engineering. Managing Director & Chief Executive Officer (Chief Operating Decision Maker) monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment as a whole. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The CODM reviews the Company's performance on the analysis of the profit of the company on an entity level basis. The management is of the opinion that the company continues to operate under a single segment of Engineering and Projects and hence the Company has only one reportable segment Engineering & Projects.

Entity level disclosure as required in Ind AS 108 - "Segment Reporting" of the Companies (Indian Accounting Standards) Rules, 2015

- a The Company principally operates in the business of Engineering, Procurement and Construction business (EPC) relating to infrastructure and the major customers are primarily State or Central utilities of the country in which such projects are undertaken and private BOT operators in the business of laying and operating Transmission Lines. During the period there were Three (P.Y.Three) customers that contributed for more than 10% of the turnover Rs 1197.70 Crores (PY Rs 1227.29 Crores).

- b Information about Geographical areas

Particulars	Revenue 2021-22	Revenue 2020-21
Domicile country	1,417.04	1,672.94
Foreign countries	867.11	448.50
Total	2,284.15	2,121.44

The revenues attributed to a specific country is basically determined by the country from where the contract has been secured by the company.

- c Non Current Assets other than Financial Assets, DTA, Employment Benefit Assets, Insurance contract.

Particulars	Assets 2021-22	Assets 2020-21
Domicile country	336.28	305.73
Foreign countries	6.53	4.37
Total	342.81	310.10

43 Fair value hierarchy

This section explains the judgments and estimates made in determining the fair value of the financial instruments that are (i) recognised and measured at fair value and (ii) measured at amortized cost for which fair value are disclosed.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

- 1 Recognised and measured at fair value

The Company has not recognised any of the outstanding financial instrument as on March 31, 2022 and March 31, 2021 at fair value except as disclosed in the below in note (2)(ii).



2 **Measure at amortized cost for which fair value is disclosed.**

The Company has determined fair value of all its financial instruments measured at amortized cost.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate of borrowings are evaluated by the Company based on parameters such as interest rates.
- ii) The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value

Particulars	Date of Valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Mutual funds - Growth plan	31.03.2022	3.15	-	-
Mutual funds - Growth plan	31.03.2021	3.01	-	-
Forward contracts	31.03.2022	-	3.36	-
Forward contracts	31.03.2021	-	3.37	-

There have been no transfers between Level 1 and Level 2 during the period.

- iii) The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021.

Particulars	Carrying value		Fair value	
	2021-22	2020-21	2021-22	2020-21
Financial assets				
Investments	3.81	3.67	3.81	3.67
Trade receivables	639.73	490.97	639.73	490.97
Loans	48.61	49.33	48.61	49.33
Cash and bank balances	98.86	127.22	98.86	127.22
Others	63.26	81.26	63.26	81.26
Financial liabilities				
Long term borrowings	117.97	98.43	117.97	98.43
Short term borrowings	351.13	330.69	351.13	330.69
Trade payable	1,070.57	843.36	1,070.57	843.36
Others	98.01	89.16	98.01	89.16

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

44 **Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other reserves attributable to the equity share holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	2021-22	2020-21
Long Term Borrowings	117.97	98.43
Short Term Borrowings	351.13	330.69
Less: Cash and Cash equivalents	54.82	88.78
Net debt	414.27	340.35
Total capital	669.78	572.05
Gearing ratio	62%	59%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. The Company is not subjected to any financial covenants of any interest-bearing loans and borrowing.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.



45 Financial Instruments

A Categories of financial instruments

Particulars	As at March 2022		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
Non Current Investments	-	-	0.66
Current Investments	3.15	-	-
Trade receivables	-	-	639.73
Cash and Bank Balances	-	-	98.86
Loans	-	-	48.61
Others Financial Assets	3.36	-	59.89
Total	6.52	-	847.75
Financial Liabilities			
Borrowings	-	-	469.10
Trade payables	-	-	1,070.57
Other financial liabilities	-	-	90.61
Total	-	-	1,630.28

Particulars	As at March 2021		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
Non Current Investments	-	-	0.65
Current Investments	3.01	-	-
Trade receivables	-	-	490.97
Cash and Bank Balances	-	-	127.22
Loans	-	-	49.33
Others Financial Assets	3.37	-	77.88
Total	6.39	-	746.05
Financial Liabilities			
Borrowings	-	-	429.12
Trade payables	-	-	843.36
Other financial liabilities	-	-	78.26
Total	-	-	1,350.74

46 Financial risk management objectives and policies

a) Financial Risk management objectives

- The Company's principal financial liabilities comprises of loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
- The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by an appropriate financial risk governance framework for the Company which provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and lays down policies for managing each of these risks, which are summarised below.

3 Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts and commodity future contracts to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in price of commodities. The counter party for these contracts is generally a multinational bank, financial institution or exchange. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. Mark to Market gain or loss on derivative instruments is part of other current financial assets or liabilities.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk namely interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include receivables, payables, net investment in foreign operations, loans and borrowings and deposits.

The sensitivity analysis in the following sections on the financial assets and Financial liabilities relate to the position as at March 31, 2022 and March 31, 2021.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt as at March 31, 2022.
- The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.
- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.



c) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term debt obligations with floating interest rates.

Presently the borrowings of the company are subject to a floating interest regime at MCLR specified in the respective financing agreements, which is subject to variation in rate of interest in the market. Considering the present market scenario the Company's policy is to maximise the borrowings at MCLR based variable interest rate.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Variation in interest (basis points)	Effect on profit before tax	
	March 31, 2022	March 31, 2021
Increase by 50 Basis points	(2.75)	(2.15)
Decrease by 50 Basis points	2.75	2.15

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

d) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense and monetary assets & liabilities is denominated in a foreign currency).

Foreign Currency Exposure unhedged as at March 31, 2022 is Rs 726.52 Crores (PY Rs 363.51 Crores) for Trade and Other Receivables and Rs 267.99 Crores (PY Rs 215.32 Crores) for Trade and Other Payables.

For Un-hedged Foreign Currency Exposures:

Particulars	As at March 2022		As at March 2021	
	Foreign Currency in "000"	Amount In INR Crores	Foreign Currency in "000"	Amount In INR Crores
Trade and other Receivables				
USD	67,868.14	514.49	26,569.12	195.30
EUR	6,746.64	57.12	1,456.12	12.54
GBP	-	-	5.51	0.06
AED	449.77	0.92	449.77	0.90
MYR	27.37	0.05	23.07	0.04
BTN	46,733.11	4.67	3,07,327.13	30.73
CAD	-	-	1,992.56	11.59
KSH	5,05,309.46	32.95	5,18,198.97	34.42
NGN	1,05,193.76	1.91	20,599.96	0.41
FCFA	-	-	5,63,692.26	7.38
BDT	6,10,116.88	52.53	2,75,841.37	23.40
GHS	521.75	0.52	1,272.81	1.61
JOD	621.23	6.62	469.58	4.85
MZN	36,072.02	4.23	1,13,917.47	12.06
QAR	1,785.68	3.68	1,785.68	3.56
SEK	7,168.35	5.81	9,628.23	8.08
AFA	9,815.91	0.83	1,31,837.16	12.34
UGX	7,61,456.50	1.60	20,53,349.15	4.08
NIO	50,158.24	10.51	878.06	0.18
CFA	15,03,607.48	19.24	-	-
THB	38,817.43	8.80	-	-
PHP	303.78	0.04	-	-
		726.52		363.51



For Un-hedged Foreign Currency Exposures:

Particulars	As at March 2022		As at March 2021	
	Foreign Currency in "000"	Amount In INR Crores	Foreign Currency in "000"	Amount In INR Crores
Trade and other Payables				
USD	20,464.18	155.05	18,214.65	127.62
EUR	181.16	1.53	744.33	5.73
CAD	-	-	869.10	5.05
BTN	51,240.53	5.12	57,543.02	5.75
KSH	4,62,019.64	30.13	4,64,070.61	30.82
FCFA	-	-	66,361.26	0.87
BDT	4,51,702.70	38.89	1,85,669.65	15.75
GHS	735.59	0.73	951.37	1.20
JOD	686.60	7.31	191.18	1.97
SEK	-	-	1,445.08	1.02
MZN	13,525.25	1.58	45,544.94	4.82
NIO	66,269.36	13.89	78.49	0.02
UGX	9,44,098.79	1.98	8,12,802.39	1.62
AFA	73,828.17	6.25	1,39,585.40	13.07
CFA	1,48,733.09	1.90	-	-
THB	15,033.42	3.41	-	-
PHP	817.58	0.12	-	-
GBP	7.76	0.08	-	-
AUD	1.14	0.01	-	-
		267.98		215.32

The company has designated following forward contract as a fair value hedge which are outstanding as under :

Particulars	No. of Contracts	Currency Type	Foreign Currency in "000"	Amount In INR Crores
As at March 31, 2022				
Sell USD/INR	14	USD	33400.09	253.20
As at March 31, 2021				
Sell USD/INR	1	USD	6000.00	44.10

e) Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, EUR, BDT and CFA exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of revenue or expense and monetary assets & liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Variation in exchange rate (%)	Effect on profit before tax	Effect on profit before tax
	March 31, 2022	March 31, 2021
USD		
Increase by 5%	17.97	3.38
Decrease by 5%	(17.97)	(3.38)
EUR		
Increase by 5%	2.78	0.34
Decrease by 5%	(2.78)	(0.34)
BDT		
Increase by 5%	0.68	7.65
Decrease by 5%	(0.68)	(7.65)
CFA		
Increase by 5%	0.87	-
Decrease by 5%	(0.87)	-

f) Commodity price risk

The Company is affected by the price volatility of the major commodities. The company's operating activities require the ongoing purchase and manufacture of tower, conductors and poles and therefore require a continuous supply of Steel, Aluminium and Zinc. It may be observed that all the three metals have significant volatility in the prices during the year. However in case of steel which is the major item, there is no marketplace to manage the price risk. The Company holds derivative financial instruments such as commodity future contract to mitigate the risk of changes in Aluminium prices.

Further substantial part of our revenues during the year were covered by escalation clauses which addresses the price volatility to a large extent.

Due to the significantly increased volatility of the price of the Steel, Aluminium and Zinc, during the year the Company entered into various purchase contracts for Steel, Aluminium and Zinc at specific rates to manage the risk of the costs. The prices in these purchase contracts are linked to market rates.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.



g) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the ability of the customer to honour his commitments. The credit quality is also assessed on factors like state/central sponsored undertaking, financial strength of the customer, assurance of payments like LC or Guarantees etc. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance. Retention is considered as part of receivable which is payable on completion of the project and achieving the completion milestones. In certain contracts the retention would be realised on submission of a Bank guarantee, which is submitted as per the terms of the contract with customer.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are consolidated into an homogenous class and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 43. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

In addition, the company is exposed to credit risk in relation to financial guarantees given by the company on behalf of joint operation (net of group share). These financial guarantees have been issued to the banks on behalf of the joint operations. Based on the expectations at the end of reporting period, Company considers the likelihood of the any claim under such guarantee is remote.

h) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

i) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures and other instruments. During the year ending March 31, 2022 no term loan has matured (PY Rs Nil) based on the repayment schedule specified in the financing agreements with the lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2022

On demand
Less than 3 months
3 to 12 months
1 to 5 years
> 5 years

Borrowings	Trade and other payables
56.19	225.40
17.98	494.34
62.96	350.83
113.54	-
4.43	-
255.10	1,070.57

Year ended 31 March 2021

On demand
Less than 3 months
3 to 12 months
1 to 5 years
> 5 years

Borrowings	Trade and other payables
93.97	253.26
12.46	465.68
34.75	124.42
98.43	-
-	-
239.61	843.36

The disclosed financial instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

j) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio which includes assessing of geopolitical factors, country risk assessment and other factors to have diverse customer relationships. Identified concentrations of credit risks are controlled and managed accordingly.

k) Collateral

As mentioned in note no 17 and 24 the assets of the company are hypothecated/charged to the lenders for the borrowings and the non-fund based facilities provided by them. There are no collaterals provided by the shareholders or any other person.



47 Contingent Liabilities and Commitments

Particulars	2021-22	2020-21
A Contingent Liabilities		
i) Bank Guarantees issued by the bankers	223.70	207.32
ii) Indirect tax matters for which Company has preferred appeal	80.13	98.25
iii) Direct tax matters for which Company has preferred appeal	29.88	-
iv) Others	3.41	0.69
B Commitments		
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for in accounts.	10.56	29.84
ii) Other Commitment	75.00	-

48 Employees Stock Option Scheme (ESOP)

i) The Company had implemented Employee stock option scheme as approved by the Nomination and Remuneration Committee on 26th February 2019. During the previous year, the company came up with the corporate action vide rights issue of equity shares in the ratio of 1:1 at the issue price of Rs. 80/- per share. Thus on account of corporate action vide Rights issue carried out by the company after the grant of the options, the meeting of Nomination and Remuneration Committee of the board was held on 15th December, 2020 and approved modification in the ESOP Scheme. During the year, the company came up with the corporate action vide rights issue of equity shares in the ratio of 1:2 at the issue price of Rs. 20/- per share. Thus on account of corporate action vide Rights issue carried out by the company after the grant of the options, the meeting of Nomination and Remuneration Committee of the Board was held on 5th January, 2022 and approved following modification in the ESOP Scheme.

a) The exercise price of the options was adjusted to Rs. 578/- (Rs. 498/- Plus 80 Rs./-) per option and

b) The Option Holder shall have the right to subscribe/apply for six equity shares of the company against each option held

Scheme details Period	Grant Date/Vesting	No. of options Granted	Original exercise price per option	Modified exercise price as per corporate action	Modified exercise price as per corporate action as
ESOP Scheme -2019	July ,29 2019 1 year	60,000	Rs 418/- for 60,000 Options	Rs. 498/- for 60,000 options	Rs. 578/- for 60,000 options

The options are granted at an exercise price, which is fair value at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of six equity shares of Rs. 10/- each.

The Company has carried out fresh assessment of the fair valuation of the option before and after the corporate action to determine additional cost, if any, to be charged to the Statement of Profit and Loss as ESOP Compensation Cost.

The fair valuation carried as per Black Scholes method by an independent valuer has determined the additional charge of Rs. NIL per option outstanding. Since the vesting is completed this difference in fair value changes, if any, is charged to the statement of profit and loss immediately as required by INDAS 102. The Fair value changes and disclosures are detailed hereinafter.

ii) Stock option activity under the scheme(s) for the year ended 31st March, 2022 is set out below:

Particulars	No. of options	Weighted average exercise price (Rs) per option	Weighted average Remaining contractual life (years)
Outstanding at the beginning of the year	60,000	Rs. 498	0.33 years
Granted during the year	-	-	-
Forfeited/cancelled during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	60,000	Rs. 578*	0.33 years
Exercisable at the end of the year	60,000	Rs. 578*	

* Modified as per corporate action.

Stock option activity under the scheme(s) for the year ended 31st March, 2021 is set out below:

Particulars	No. of options	Weighted average exercise price (Rs) per option	Weighted average Remaining contractual life (years)
Outstanding at the beginning of the year	60,000	Rs. 418	
Granted during the year	-	-	1.33 years
Forfeited/cancelled during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	60,000	Rs. 498*	1.33 years
Exercisable at the end of the year	60,000	Rs. 498*	

* Modified as per corporate action.



iii) The Black Scholes valuation model has been used for computing fair value considering the following inputs:

Particulars	ESOP Scheme -2019		
	Original	Modification due to corporate action in 2020-21	Modification due to corporate action in 2021-22
Expected volatility	36.37%	59.17%	31.37%
Risk-free interest rate	6.46%	6.04%	7.36%
Weighted average share price (Rs.)	418	498	578
Exercise price (Rs.)	418	498	578
Expected life of options granted in years	2	2	2
Weighted average fair value of options (Rs.)	107.47	116.97	189.97

iv) The effect of share based payment transactions on the entity's profit or loss for the period is presented below:

Particulars	2021-22	2020-21
Share based payment expense (Rs. in Crore)	-	0.97
Balance in Employee Stock Option Outstanding	1.40	1.40

- 49 Disclosure as required by Accounting Standard – IND AS 24 - "Related Party Disclosures" of the Companies (Indian Accounting Standards) Rules, 2015 are given in Annexure - II
- 50 Analytical Ratios as per requirement of Schedule III are given in Annexure - III
- 51 The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.
- 52 In the opinion of the Management, Current Assets, and Non-Current Assets other than Property, Plant and Equipment have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 53 The figures for the previous year have been regrouped and restated to make them comparable with the figures of the current year.
- 54 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

As per our report of even date attached.

For Nayan Parikh & Co.
Chartered Accountants
FRN. 107023W

K N Padmanabhan

K N Padmanabhan
Partner
M.No. 036410

Mumbai, July 5, 2022



For and on behalf of Board of Directors

Randeep Naras
Randeep Naras
Managing Director & CEO
DIN - 07269818

Vasant Savla
Vasant Savla
Chief Financial
Officer



Jeevan Lal Nagori
Jeevan Lal Nagori
Director
DIN No - 00017939

Gandhali Upadhye
Gandhali Upadhye
Company Secretary

Annexure I

Returns/statements submitted to the Bank and Financials Institution
(All figures in INR Crores unless otherwise stated)

Sr No	Quarter	Sanction Amount	Name of Bank	As per Books of Accounts	Amount as reported in the quarterly Statement	Amount of difference	Reason for Variance for FY 21-22
1	Jun-21	3,621.70	ICICI and Consortium Member Banks	836.65	820.38	(16.27)	The difference is due to the following reasons: i) Exclusion of slow / non - moving and scrap stock not forming part of quarterly statement. ii) March 2022 figures submitted to bank were based on provisional figures to comply with timelines and were lower as compared to audited figures.
	Jun-20	3,614.88	ICICI and Consortium Member Banks	992.01	1,054.07	62.06	
2	Sep-21	3,621.70	Canara and Consortium Member Banks	745.62	737.28	(8.33)	
	Sep-20	3,614.88	ICICI and Consortium Member Banks	973.46	1,008.54	35.08	
3	Dec-21	3,621.70	Canara and Consortium Member Banks	784.81	773.16	(11.65)	
	Dec-20	3,621.70	ICICI and Consortium Member Banks	833.64	804.92	(28.71)	
4	Mar-22	3,618.83	Canara and Consortium Member Banks	1,060.81	1,008.41	(52.40)	
	Mar-21	3,621.70	ICICI and Consortium Member Banks	813.22	823.99	10.78	



Annexure - II

Disclosure as required by Accounting Standard – IND AS 24 – Related Party Disclosures.

Relationships:

Holding Company

Ajanma Holdings Private Limited - Holding company

Subsidiary Companies

- a) Transrail International FZE
 b) Transrail Lighting Malaysia SDN BHD
 c) Transrail Structures America INC
 d) Transrail Lighting Nigeria Limited
 e) Adarsha Global Build Projects Pvt. Ltd. (Ceased to be Subsidiary w.e.f. March 31, 2021)

Associate Company

- a) Burberry Infra Private Limited w.e.f. August 31, 2021

Joint Operation

- a) CIT - Bhutan
 b) Transrail -FCEP JV- Nigeria
 c) Transrail - SAE Consortium - Tanzania
 d) Transrail-SAE Consortium -Mozambique
 e) Transrail - SAE Consortium - Benin
 f) Railsys Engineers Pvt. Ltd. - Transrail lighting Ltd. JV -"REPL-TLL JV"
 g) Gammon Engineers & Contractors Pvt. Ltd. - TLL JV - "GECPL - TLL JV"
 h) TLL Metcon Pravesh JV

Entities where controls / significant influence by KMP's/Directors and their relatives exist

- a) LatIndia
 b) Chaturvedi SK & Fellows
 c) Transrail Foundation w.e.f. May 12, 2021
 d) Gammon Engineers and Contractors Pvt. Ltd. (GECPL) -(Upto March 30, 2021)

Key Management Personnel and their relatives:

- 1 Mr. D C Bagde - Ceased to be the Managing Director w.e.f. Sept 30, 2021 and re-designated as an Executive Chairman w.e.f. Oct 01, 2021
 2 Mr. Randeep Narang (Chief Executive Officer & Deputy Managing Director) - Appointed w.e.f. Dec 15, 2020 and re-designated as Managing Director & Chief Executive Officer w.e.f. Oct 01, 2021.
 3 Mr. Srikanth Chaturvedi (Director)
 4 Mr. Sai Mohan (Independent Director)
 5 Mr. Deepak Bhojwani (Independent Director) - Ceased to be the Independent Director w.e.f. Sept 13, 2021
 6 Mr. Jeevan Lal Nagori (Director) - Ceased to be an Executive Director w.e.f. Oct 30, 2020 and appointed as a Non-Executive Director w.e.f. Nov 01, 2020 and re-designated as Executive Director-Finance w.e.f. June 08, 2021.
 7 Ms. Ravita Punwani (Director) - Appointed w.e.f. Dec 15, 2020 and re-designated as Independent Director w.e.f. June 25, 2021.
 8 Mr. Sanjay Verma (Director) - Appointed w.e.f. Dec 15, 2020
 9 Mr. Aditya Vikram (Director) - Appointed w.e.f. Aug 20, 2021 & Ceased to be the Director w.e.f. Jan 26, 2022.

(All figures in INR Crores unless otherwise stated)

Transactions	Holding Co.	Subsidiary Co	Key Management Personnel	Entities where controls / significant influence by KMP's and their relatives exist	Joint Operations	Associate Company	Total
1 Sale of products	-	-	-	0.75 (144.42)	360.83 (147.65)	-	361.58 (292.07)
CIT- Bhutan- Sales of Towers	-	-	-	-	-	-	-
TLL-FCEP JV-Nigeria	-	-	-	-	(18.94)	-	(18.94)
TLL-METCON-PRAVESH-JV	-	-	-	-	110.17	-	110.17
Transrail Foundation	-	-	-	0.75	-	-	0.75
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(144.42)	-	-	(144.42)
GECPL-TLL-JV	-	-	-	-	248.91	-	248.91
Railsys Engineering Pvt. Ltd. -TLL JV (REPL-TLL JV)	-	-	-	-	(126.52)	-	(126.52)
	-	-	-	-	1.76	-	1.76
	-	-	-	-	(2.18)	-	(2.18)
2 Purchase of Goods / Services	0.86	-	-	0.40	-	-	1.26
Adarsha Global Build Projects Pvt. Ltd.	-	(0.28)	-	(62.51)	(17.36)	-	(80.15)
Gammon Engineers and Contractors Pvt. Ltd.	-	(0.28)	-	-	-	-	(0.28)
TLL-FCEP JV-Nigeria	-	-	-	(62.11)	-	-	(62.11)
Chaturvedi Sk & Fellows	-	-	-	-	(17.36)	-	(17.36)
Ajanma Holding Pvt. Ltd.	0.86	-	-	(0.40)	-	-	0.40
	-	-	-	-	-	-	(0.40)
	-	-	-	-	-	-	0.86
	-	-	-	-	-	-	-



Transactions	Holding Co.	Subsidiary Co	Key Management Personnel	Entities where controls / significant influence by KMP's and their relatives exist	Joint Operations	Associate Company	Total
3 Advances Given	0.20	-	-	2.34	-	-	2.54
Gammon Engineers and Contractors Pvt. Ltd.	(7.15)	(3.92)	-	(22.45)	(0.04)	-	(33.56)
Adarsha Global Build Projects Pvt. Ltd.	-	-	-	(22.45)	-	-	(22.45)
Transrail -FCEP JV- Nigeria	-	(3.92)	-	-	-	-	(3.92)
Ajanma Holding Pvt. Ltd.	0.20	-	-	-	(0.04)	-	(0.04)
Transrail Foundation	(7.15)	-	-	2.34	-	-	(7.15)
							2.34
4 Advances received	-	0.01	-	-	-	-	0.01
Transrail International FZE	-	0.01	-	-	-	-	0.01
							-
5 Advance adjusted/repaid	-	-	-	-	20.59	-	20.59
Adarsha Global Build Projects Pvt. Ltd.	(7.00)	(0.62)	-	-	-	-	(7.62)
Transrail -FCEP JV- Nigeria	-	(0.62)	-	-	-	-	(0.62)
CJT- Bhutan- Sales of Towers	-	-	-	-	3.25	-	3.25
Ajanma Holding Pvt. Ltd.	-	-	-	-	17.35	-	17.35
	(7.00)	-	-	-	-	-	(7.00)
6 Purchase of Property, Plant & Equipment	-	-	-	-	-	-	-
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(4.98)	-	-	(4.98)
				(4.98)			(4.98)
7 Capital Payment	-	-	-	-	-	-	-
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(2.86)	-	-	(2.86)
				(2.86)			(2.86)
8 Security Deposit Given	-	-	-	-	-	-	-
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(13.76)	-	-	(13.76)
				(13.76)			(13.76)
9 Loan Given	-	7.29	-	-	-	19.50	26.79
Transrail International FZE	-	(11.33)	-	-	-	-	(11.33)
Transrail Lighting Nigeria Limited	-	1.51	-	-	-	-	1.51
Burberry Infra Private Limited	-	5.78	-	-	-	-	5.78
Transrail Lighting Malaysia SDN BHD	-	(11.26)	-	-	-	19.50	(11.26)
	-	-	-	-	-	-	19.50
	-	(0.08)	-	-	-	-	(0.08)
10 Loan Repayment Received	-	-	-	-	-	-	-
Transrail International FZE	-	(1.67)	-	-	-	-	(1.67)
	-	(1.67)	-	-	-	-	(1.67)
11 Re-Imbursement	-	0.01	-	-	-	-	0.01
Transrail International FZE	-	(0.09)	-	-	-	-	(0.09)
Transrail Structures America INC	-	(0.03)	-	-	-	-	(0.03)
CJT- Bhutan- Sales of Towers	-	0.01	-	-	-	-	0.01
Transrail Lighting Malaysia SDN BHD	-	(0.02)	-	-	-	-	(0.02)
	-	-	-	-	3.79	-	3.79
	-	(0.03)	-	-	-	-	(0.03)
12 Investment Made	-	-	-	-	-	0.01	0.01
Burberry Infra Private Limited	-	-	-	-	-	0.01	0.01
	-	-	-	-	-	-	-
13 Interest Expenses	-	-	-	-	-	-	-
Ajanma Holdings Private Limited	(0.07)	-	-	-	(1.81)	-	(1.88)
GECP-LLJV	(0.07)	-	-	-	-	-	(0.07)
	-	-	-	-	(1.81)	-	(1.81)



Transactions	Holding Co.	Subsidiary Co	Key Management Personnel	Entities where controls / significant influence by KMP's and their relatives exist	Joint Operations	Associate Company	Total
14 Compensation to key management personnel	-	-	5.79	-	-	-	5.79
	-	-	(6.26)	-	-	-	(6.26)
Mr. D. C. Bagde	-	-	2.81	-	-	-	2.81
	-	-	(4.39)	-	-	-	(4.39)
Short-term employee benefits (including bonus and value of perquisites)	-	-	2.81	-	-	-	2.81
	-	-	(2.62)	-	-	-	(2.62)
Commission	-	-	-	-	-	-	-
	-	-	(0.80)	-	-	-	(0.80)
Expense recognized during the year on account of Employee Stock Options granted (60,000 Share options)	-	-	-	-	-	-	-
	-	-	(0.97)	-	-	-	(0.97)
Mr. Randeep Narang	-	-	2.18	-	-	-	2.18
	-	-	(1.33)	-	-	-	(1.33)
Short-term employee benefits (including bonus and value of perquisites)	-	-	2.18	-	-	-	2.18
	-	-	(0.98)	-	-	-	(0.98)
Commission	-	-	-	-	-	-	-
	-	-	(0.35)	-	-	-	(0.35)
Mr. Jeevan Lal Nagori	-	-	0.80	-	-	-	0.80
	-	-	(0.54)	-	-	-	(0.54)
Short-term employee benefits (including value of perquisites)	-	-	0.80	-	-	-	0.80
	-	-	(0.54)	-	-	-	(0.54)
15 Sitting fees and commission to directors	-	-	0.43	-	-	-	0.43
	-	-	(0.56)	-	-	-	(0.56)
Mr. Srikant Chaturvedi ^	-	-	0.10	-	-	-	0.10
	-	-	(0.14)	-	-	-	(0.14)
Mr. N Sai Mohan	-	-	0.10	-	-	-	0.10
	-	-	(0.14)	-	-	-	(0.14)
Mr. Jeevanlal Nagori	-	-	0.01	-	-	-	0.01
	-	-	(0.07)	-	-	-	(0.07)
Ms. Ravita Punwani	-	-	0.09	-	-	-	0.09
	-	-	(0.04)	-	-	-	(0.04)
Mr. Aditya Vikram	-	-	0.03	-	-	-	0.03
	-	-	-	-	-	-	-
Mr. Deepak Bhojwani	-	-	0.04	-	-	-	0.04
	-	-	(0.14)	-	-	-	(0.14)
Mr. Sanjay Verma	-	-	0.06	-	-	-	0.06
	-	-	(0.03)	-	-	-	(0.03)
16 Interest Payable	-	-	-	-	-	-	-
	(0.07)	-	-	-	-	-	(0.07)
Ajanma Holdings Private Limited	-	-	-	-	-	-	-
	(0.07)	-	-	-	-	-	(0.07)
17 Interest Income	-	1.67	-	-	-	0.07	1.74
	-	(0.59)	-	-	-	-	(0.59)
Transrail International FZE	-	0.11	-	-	-	-	0.11
	-	(0.25)	-	-	-	-	(0.25)
Transrail Lighting Nigeria Limited	-	1.55	-	-	-	-	1.55
	-	(0.34)	-	-	-	-	(0.34)
Burberry Infra Private Limited	-	-	-	-	-	0.07	0.07
	-	-	-	-	-	-	-
Transrail Lighting Malaysia SDN BHD	-	0.00	-	-	-	-	0.00
	-	-	-	-	-	-	-
18 Bank/ Corporate Guarantees Outstanding	-	-	-	-	175.72	-	175.72
	-	-	-	-	(207.32)	-	(207.32)
GECPL-TLL JV	-	-	-	-	63.36	-	63.36
	-	-	-	-	(74.36)	-	(74.36)
REPL-TLL JV	-	-	-	-	1.14	-	1.14
	-	-	-	-	(5.14)	-	(5.14)
CIT- Bhutan	-	-	-	-	101.88	-	101.88
	-	-	-	-	(107.62)	-	(107.62)
Transrail - SAE Consortium - Tanzania	-	-	-	-	5.50	-	5.50
	-	-	-	-	(5.30)	-	(5.30)
Transrail-SAE Consortium -Mozambique	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Transrail - SAE Consortium - Benin	-	-	-	-	(6.42)	-	(6.42)
	-	-	-	-	3.84	-	3.84
Transrail - CSPP Consortium - Thailand	-	-	-	-	(8.48)	-	(8.48)
19 Right issue of Equity Share Issued During the Year	29.01	-	0.39	-	-	-	29.40
	(26.27)	-	(0.53)	-	-	-	(26.80)
Ajanma Holdings Private Limited	29.01	-	-	-	-	-	29.01
	(26.27)	-	-	-	-	-	(26.27)
Mr. D. C. Bagde	-	-	0.28	-	-	-	0.28
	-	-	(0.32)	-	-	-	(0.32)
Mr. Deepak Bhojwani	-	-	0.04	-	-	-	0.04
	-	-	(0.08)	-	-	-	(0.08)
Mr. N Sai Mohan	-	-	0.02	-	-	-	0.02
	-	-	(0.04)	-	-	-	(0.04)
Ms. Meha Chaturvedi	-	-	0.04	-	-	-	0.04
	-	-	(0.08)	-	-	-	(0.08)



Transactions	Holding Co.	Subsidiary Co	Key Management Personnel	Entities where controls / significant influence by KMP's and their relatives exist	Joint Operations	Associate Company	Total
20 Provision for Doubtful Advances	-	-	-	-	19.71	-	19.71
Adarsha Global Build Projects Pvt. Ltd.	-	(1.46)	-	-	(15.03)	-	(16.49)
CJT- Bhutan	-	(1.46)	-	-	-	-	(1.46)
Transrail -FCEP JV- Nigeria	-	-	-	-	4.67	-	4.67
	-	-	-	-	15.03	-	15.03
	-	-	-	-	(15.03)	-	(15.03)
21 Loans & Advances Receivable	-	22.12	-	-	27.84	19.50	69.46
Transrail -FCEP JV- Nigeria	(0.15)	(16.85)	-	(22.45)	(44.64)	-	(84.09)
Transrail Lighting Malaysia SDN BHD	-	-	-	-	23.16	-	23.16
Transrail International FZE	-	0.08	-	-	(26.41)	-	(26.41)
Ajanma Holdings Private Limited	-	4.38	-	-	-	-	4.38
Transrail Lighting Nigeria limited	(0.15)	(3.04)	-	-	-	-	(3.04)
Gammon Engineers and Contractors Pvt. Ltd.	-	17.66	-	-	-	-	17.66
Burberry Infra Private Limited	-	(11.35)	-	-	-	-	(11.35)
Adarsha Global Build Projects Pvt. Ltd.	-	-	-	(22.45)	-	-	(22.45)
CJT- Bhutan	-	-	-	-	-	19.50	19.50
	-	(2.46)	-	-	4.67	-	4.67
	-	-	-	-	(18.23)	-	(18.23)
22 Receivables Outstanding	-	1.10	-	3.21	166.30	-	170.62
TLL-METCON- PRAVESH JV	-	(3.01)	-	(54.81)	(63.75)	-	(121.56)
Transrail Structures America INC	-	0.08	-	-	30.84	-	30.84
Transrail Lighting Malaysia SDN BHD	-	(0.06)	-	-	-	-	(0.06)
Transrail Lighting Nigeria limited	-	0.08	-	-	-	-	0.08
Adarsha Global Build Projects Pvt. Ltd.	-	(0.07)	-	-	-	-	(0.07)
Gammon Engineers and Contractors Pvt. Ltd.	-	0.03	-	-	-	-	0.03
GECP-LL-JV	-	(0.04)	-	-	-	-	(0.04)
Transrail International FZE	-	(2.05)	-	-	-	-	(2.05)
Transrail Foundation	-	-	-	(54.81)	-	-	(54.81)
Railsys Engineering Pvt. Ltd. -TLL JV (REPL-TLL JV)	-	-	-	-	132.71	-	132.71
	-	-	-	-	(59.85)	-	(59.85)
	-	0.92	-	-	-	-	0.92
	-	(0.78)	-	-	-	-	(0.78)
	-	-	-	3.21	-	-	3.21
	-	-	-	-	2.76	-	2.76
	-	-	-	-	(3.90)	-	(3.90)
23 Interest Receivable	-	2.23	-	-	-	0.06	2.29
Transrail International FZE	-	(0.47)	-	(1.87)	-	-	(2.34)
Transrail Lighting Malaysia SDN BHD	-	0.34	-	-	-	-	0.34
Burberry Infra Private Limited	-	(0.12)	-	-	-	-	(0.12)
Gammon Engineers and Contractors Pvt. Ltd.	-	0.00	-	-	-	-	0.00
Transrail Lighting Nigeria limited	-	(0.01)	-	-	-	-	(0.01)
	-	-	-	-	-	0.06	0.06
	-	-	-	(1.87)	-	-	(1.87)
	-	1.88	-	-	-	-	1.88
	-	(0.34)	-	-	-	-	(0.34)
24 Security Deposit Given Outstanding	-	-	-	-	-	-	-
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(28.76)	-	-	(28.76)
	-	-	-	(28.76)	-	-	(28.76)
25 Security Deposit Taken Outstanding	-	-	-	-	-	-	-
Adarsha Global Build Projects Pvt. Ltd.	-	(1.00)	-	-	-	-	(1.00)
	-	(1.00)	-	-	-	-	(1.00)



Transactions	Holding Co.	Subsidiary Co	Key Management Personnel	Entities where controls / significant influence by KMP's and their relatives exist	Joint Operations	Associate Company	Total
26 Payables For Capital Goods	-	-	-	-	-	-	-
Gammon Engineers and Contractors Pvt. Ltd.	-	-	-	(3.97)	-	-	(3.97)
	-	-	-	-	-	-	-
	-	-	-	(3.97)	-	-	(3.97)
27 Payables Outstanding	0.71	-	-	0.11	-	-	0.82
Chaturvedi Sk & Fellows	-	-	-	-	-	-	-
	-	-	-	0.11	-	-	0.11
Ajanma Holdings Private Limited	0.71	-	-	-	-	-	0.71
	-	-	-	-	-	-	-
28 Investments	-	0.29	-	-	-	0.01	0.30
	-	(0.29)	-	-	-	-	(0.29)
Transrail International FZE	-	0.36	-	-	-	-	0.36
	-	(0.36)	-	-	-	-	(0.36)
Transrail Lighting Malaysia SDN BHD	-	0.02	-	-	-	-	0.02
	-	(0.02)	-	-	-	-	(0.02)
Transrail Lighting Nigeria limited	-	0.20	-	-	-	-	0.20
	-	(0.20)	-	-	-	-	(0.20)
Transrail Structures America INC	-	0.07	-	-	-	-	0.07
	-	(0.07)	-	-	-	-	(0.07)
Burberry Infra Private Limited	-	-	-	-	-	0.01	0.01
	-	-	-	-	-	-	-

*Previous figures are in bracket()

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties except write off of receivables as disclosed above. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

* This includes Commission paid /payable to M/s Chaturvedi S K & Fellows, in which Mr. Shrikant Chaturvedi is a partner.



Annexure III - Analytical Ratios						
Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
1	Current ratio	<u>Current Asset</u> Current Liabilities	1.19	1.22	(2.18)	
2	Debt-Equity ratio	<u>Total Debts</u> Shareholders Equity	0.70	0.75	(6.63)	
3	Debt Service Coverage ratio	<u>Earnings available for debt service</u> Debt Service	1.71	1.78	(4.03)	
4	Return on Equity ratio (ROE)	<u>Net Profits after taxes – Preference Dividend</u> Average Shareholder's Equity	10.70%	20.11%	(46.78)	Ratio is adversely affected due to increase in commodity prices and issue of Right shares to existing share holders.
5	Inventory Turnover Ratio	<u>Cost of goods sold OR sales</u> Average Inventory	8.94	8.48	5.39	
6	Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivable	4.12	4.38	(6.02)	
7	Trade payables turnover ratio	<u>Net Credit Purchases</u> Average Trade Payables	1.29	1.22	5.82	
8	Net capital turnover ratio	<u>Net Sales</u> Average working capital	6.69	7.95	(15.88)	
9	Net profit ratio	<u>Net Profit after Tax</u> Net Sales	0.03	0.05	(39.91)	Ratio is adversely affected due to increase in commodity prices.
10	Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u> Capital Employed	26.74%	39.92%	(33.00)	Due to increase in commodity prices EBIT was lower & increase in capital employed due to accretion of profit & Right issue.
11	Return on Investment (ROI)	$\frac{MV(T1) - MV(T0) - \text{Sum } [C(t)]}{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}$	-	-		Investment in the subsidiaries and associate are strategic and non treasury. Hence this ratio is not applicable.

