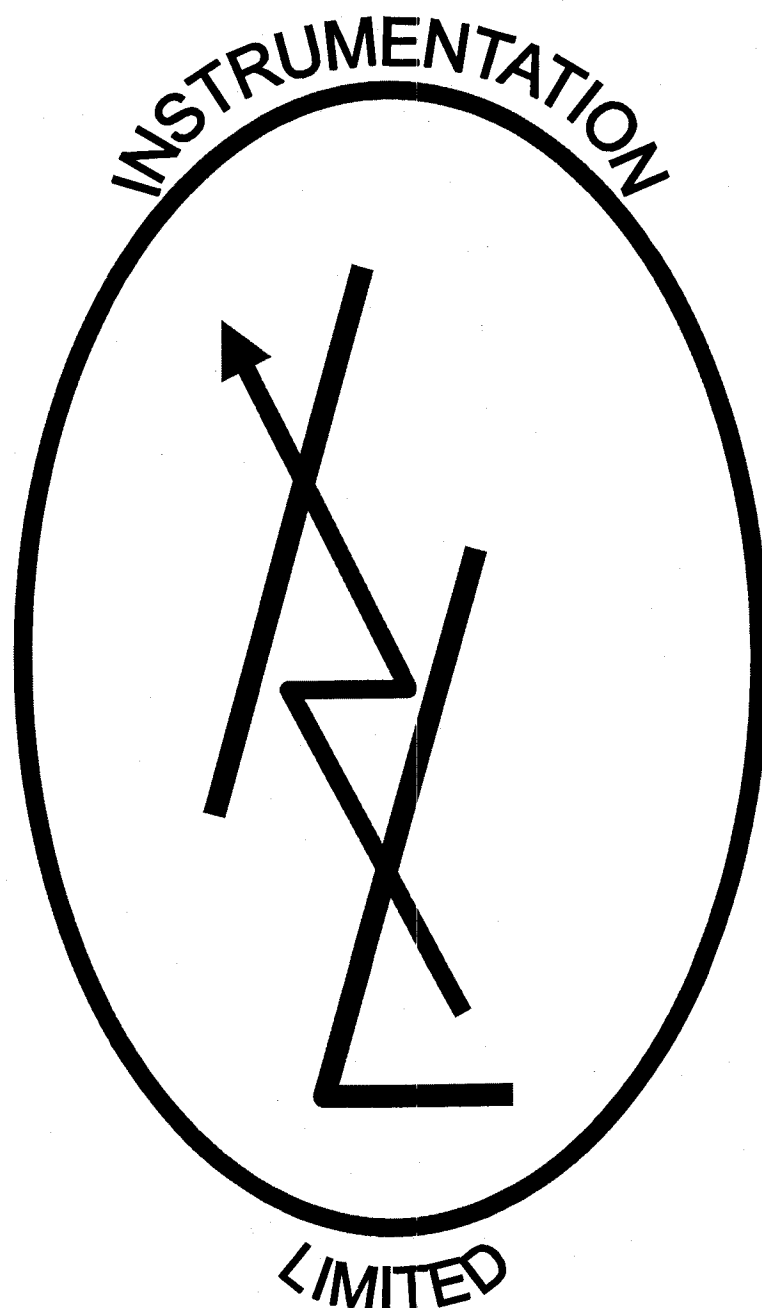


56th *Annual Accounts*

2019-2020



Instrumentation Limited
(A Government of India Enterprise)



Pramod & Associates

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of

INSTRUMENTATION LIMITED

Independent Auditor's Report on the Audit of the Standalone Financial Statements

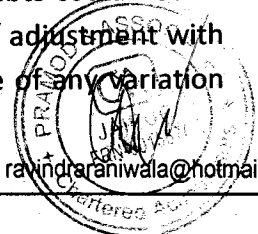
Qualified/Adverse Opinion

We have audited the standalone financial statements of INSTRUMENTATION LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss 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 included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Palakkad.

In our opinion and to the best of our information and according to the explanations given to us, for the effects of the matter described in the *Basis for Qualified opinion/Adverse opinion* of our report, the aforesaid standalone financial statements do not give the information required by the Act in the manner so required and do not give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

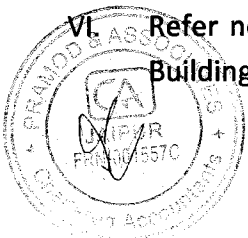
Basis for Qualified/Adverse Opinion

- I. With reference to note no. 19, of notes on accounts regarding Gross balances shown under Sundry Debtors, Advances Recoverable and Other debits/credits amounting of Rs.126,65,12,015/- in so far as these have since not being confirmed, realized, discharge or adjusted are subject to reconciliation and in the absence of confirmation\reconciliation thereof, we are not in a position to comment on their genuineness or otherwise. The exact financial impact on the financial statements of the Company could not be ascertained. Total Provision made against the same is Rs. 597,267,469/- but the adequacy of Provision made for doubtful debts could not be determined in absence of confirmation from and\or reconciliation / adjustment with related parties. Hence financial statement may be affected in case of any variation thereof.



- II. With reference to note no. 19.3, 19.4, of notes on accounts regarding balances shown (net of provision) under Sundry Debtors, Retention Money, Claims & Other amounts recoverable, Advances Recoverable and Other debits/credits amounting of Rs.68,49,60,011/- , some amount of Rs.3,45,91,358/- and Rs.21,20,72,503/- which is due from Punjab State Power Corporation Ltd and UHBVN respectively are doubtful for recovery due to cancellation of order by Punjab State Power Corporation Ltd and UHBVN for which no provision is made by the company in the books, as a result loss is understated by Rs.24,66,63,861/- & receivables is overstated by Rs.24,66,63,861/-.
- III. With reference to note no. 17.2 regarding valuation of finished goods where the realizable value of some items is taken on the basis of old work orders received by the company instead of taking it at current market value which is not in conformity of Accounting Standard -2 issued by Institute of Chartered Accountants of India. The exact financial impact on the financial statement of the company could not be ascertained.
- IV. With reference to note no. 17.3 regarding valuation of stock of Raw Material, stores and spare parts, bought out components, manufactured components, Loose Tools and implements in stock, the same are valued at Cost. However there is no suitable evidence with the company to show that goods manufactured from these items will be sold at or above cost. This is not as per Accounting Standard -2 issued by Institute of Chartered Accountants of India. The exact financial impact on the financial statements of the Company could not be ascertained.
- V. Several accounts under the Sundry Creditors, Advances from customers, Other liabilities, Deposit from Customers, Suppliers and Others and Provisions in so far as these have since not been confirmed, paid, discharged or adjusted, in the absence of confirmation / reconciliation thereof, we are not in a position to comment on their genuineness or otherwise. The exact financial impact on the financial statements of Company could not be ascertained. Although several credit balances under the head Sundry Creditors, Advances from customers, Other liabilities, Deposit from Customers, Suppliers and Others Amounting Rs. 4,63,49,964/- has been written back in current Financial year but the adequacy of write back of income could not be determined in absence of confirmation from and/or reconciliation / adjustment with related parties. Hence financial statement may be affected in case of any variation thereof.

VI. Refer note no. 12.6 of notes on accounts regarding non-execution of title deed of Building of Rs.63,39,622/-.

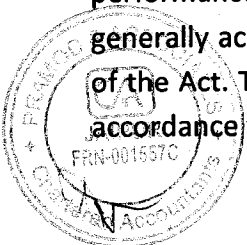


- VII. With reference to note no. 32.2, the Company is not presenting the segment information as required by Accounting Standard -17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.
- VIII. Inventory includes stocks which are slow/nonmoving, obsolete, damaged & unusable items. As refer note no. 26.2 reduction of Rs.3,49,288/- has been made by the company for inventory obsolescence, nonmoving and slow moving on estimated basis. However, the adequacy of the same cannot be ascertained and therefore, the exact financial impact on the financial statements of the Company could not be ascertained.
- IX. With reference to Deposits in note no. 22, TDS Receivable is part of the same head but the Company is not reconciling its receivable TDS with 26AS.
- X. With reference to note no. 1 and Sub point no. 8 (note no. 1) of financial statements, closure order of operations of the kota unit has been passed and disclosure required as per Accounting Standard 24 'Discontinuing Operations' has not been made, therefore, the exact financial impact on the financial statements of the Company could not be ascertained.
- XI. There are cases pending in respect of ex-employees and labour unions before various authorities against the company. The liability in respect of this not quantified and not recognized as contingent liability.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management 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 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and



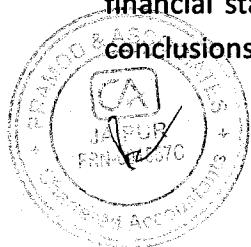
for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

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

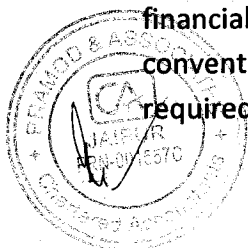
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Emphasis of Matters

We draw attention to the following Notes:

- (i) With reference to note no. 1 of financial statements which mention that the Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure and accordingly board of directors of company in board meeting held on 16.12.2016 also passed resolutions for closure. Accordingly, the financial statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' Concept.
- (ii) With reference to note no. 12 we have verified title deed for lease hold land and buildings from photocopy of deeds, as per management original copies are held with banks hence could not be made available for verification. Title deeds of flat at Bombay is not verified as it was not available for verification amounting to Rs.6.33 Lacs and title deed of Building amounting of Rs. 63,39,622/- is not available as it has not been executed till date as refer to note no. 12.6.
- (iii) With reference to note no. 32 Contingent Liability, which describes the uncertainty related to the outcome of the lawsuits and demands raised against the company by various parties and Government authorities.
- (v) With reference to note no. 1 significant accounting policies it is mentioned that financial statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' but Company failed to make disclosure required as per AS 24 and accounts are maintained on accrual basis.

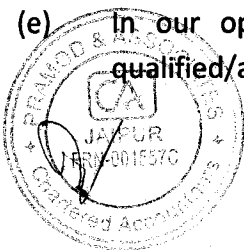


Other Matter

We did not audit the financial statements/ information of Palakkad branch included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs.101,17,60,174/- as at 31st March 2020 and the total revenue of Rs. 58,00,69,846/- for the year ended on that date, as considered in the standalone financial statements. The financial statements/ 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 branches, is based solely on the report of such branch auditor. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Companies Act, 2013, we give in the "Annexure B", a statement on the Directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the effects of the matter described in the Basis for Qualified/adverse opinion paragraph above, 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - (e) In our opinion, except the effects of the matter described in the basis for qualified/adverse opinion paragraph, the aforesaid standalone financial statements



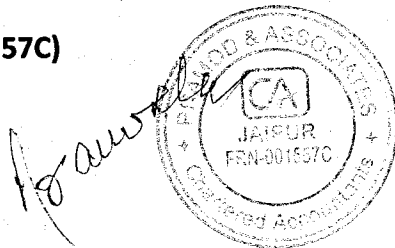
comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (g) Being a Government Company, pursuant to the Notification Ref No. GSR 463(E) dated 05th June 2015 issued by Government of India, provisions of section 164(2) of the Act are not applicable to the Company.
- (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (j) 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 financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company}.

For PRAMOD & ASSOCIATES

Chartered Accountants

(001557C)



(CA. RAVINDRA RANIWALA)

PARTNER

M.NO. 073191

UDIN: 21073191AAAAAL5032

Place: JAIPUR

Date:26/02/2021

Annexure A to the Independent Auditors Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the **Instrumentation Limited** ("Company") for the year ended March 31, 2020:

1) In respect of Fixed Assets:

- a) The Company generally has maintained proper records showing full particulars, including quantitative details of fixed assets. Further certain details as regard to situation of fixed assets and area of leasehold land also need to be updated in fixed asset register. Almost whole movable fixed assets of Kota complex has been sold due to closure of Kota complex which is not properly updated in fixed asset register.
- b) As explained to us, all fixed Assets have been physically verified by the management in a phased manner, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and on the basis of photocopies/Duplicate copy of lease deed, lease deed of lands have been verified by us and same are held in the name of company. As regard to title deed/lease deed of other immovable properties are concerned we have verified the same from photocopies of deeds, as original copies are not made available to us, except Building value of Rs.63,39,622/- refer note no. 12.6 title deed of which yet to be executed and flats at Bombay deed of which not made available for verification.

2) In respect of Inventories

- a) It has informed to us that the management has conducted the physical verification of inventory in a phased manner and looking to the size of company and nature of business the procedure and frequency are reasonable and adequate.

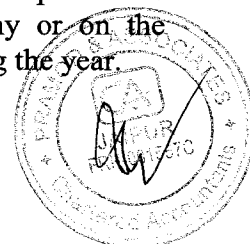
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company.



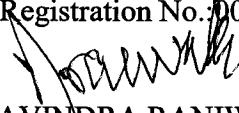
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public.
- 6) As informed to us, the cost records related to Palakkad unit as specified by the Central Government under Section 148(1) of the Companies Act, 2013 have been properly maintained in respect of the activities carried on by the company. As there is no manufacturing activity carried in Kota complex there is no such records are maintained.
- 7) In respect of Statutory Dues
- a) According to information and explanations given to us and on the basis of our examination of the books of account and records the Company has not been regular in depositing undisputed statutory dues including Sales tax, Service Tax, Value added Tax and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us undisputed amount payable in respect of the aforesaid dues outstanding as at 31 March 2020 for a period more than six months from the date of becoming payable are as under:

S. No.	Name of Statutory Dues	Amount (Rs.)
1	VAT & CST (Net of Inputs)	6,22,020.02
2	Service Tax (Net of Input Credit)	70,36,043.55
3	Custom Duty	11,48,401.93
	Total	8806465.50

- b) According to the information and explanation given to us, there are disputed statutory dues aggregating of Rs.10,13,33,481/-. Details are enclosed as Annexure A.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and Government during the period.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



- 11) As explained to us section 197 of Companies Act 2013 is not applicable to the company being a Government company.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

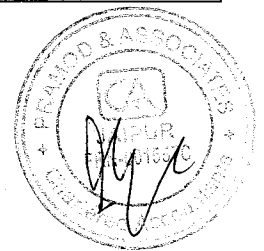
For PRAMOD & ASSOCIATE
Chartered Accountants
Firm Registration No. 001557C

(CA. RAVINDRA RANJIV)
Partner
(Membership No.: 073191)
UDIN-21073191AAAAAL5032



Place: JAIPUR
Date: 26/02/2021

Annexure A- Details of Disputed Statutory dues

Year	Amount	Amount	Amount	Total	Particulars
	CST/ UP VAT	K.G.S.T.	RVAT		
2009-10	6,856,312	-	-	6,856,312	Pending for appeal with Dy. Commissioner, Comm.
2010-11	6,342,993	-	-	6,342,993	II Appeal pending with Karboard Ajmer
2011-12	5,520,102	-	-	5,520,102	II Appeal pending with Karboard Ajmer
2012-13	3,727,856	-	-	3,727,856	II Appeal pending with Karboard Ajmer
2010-11	13,02,118	-	-	13,02,118	DC(Appeals), Dept of Commercial Taxes, Palakkad.
2012-13	1,695,815	-	-	1,695,815	DC(Appeals), Dept of Commercial Taxes, Palakkad.
2013-14	2,359,307	-	-	2,359,307	DC(Appeals), Dept of Commercial Taxes, Palakkad.
2014-15	5,255,494	-	-	5,255,494	DC(Appeals), Dept of Commercial Taxes, Palakkad.
2015-16	5,097,830	-	-	5,097,830	DC(Appeals), Dept of Commercial Taxes, Palakkad.
2016-17	6,311,223	-	-	6,311,223	DC(Appeals), Dept of Commercial Taxes, Palakkad.
TOTAL	43,166,932	0	0	43,166,932	
	Excise Duty	Service tax	Custom Duty		
1992-93	-	-	1,459,824	1,459,824	Collector (A) Mumbai
1993-94	-	-	716,953	716,953	Collector (A) Mumbai
1994-95	-	-	12,770,590	12,770,590	Collector (A) Mumbai & CESTAT(A), Mumbai
2004-05	-	-	4,220,000	4,220,000	CESTAT(A) Mumbai
2003-04 to 2006-07	-	4,751,000	-	4,751,000	Pending with CESTAT, New Delhi
2006-07	-	7,643,892	-	7,643,892	Pending with CESTAT
2007-08	-	137,766	-	137,766	Pending with CESTAT (Appeals), Jaipur
2009-10	-	26,466,524	-	26,466,524	Pending with CESTAT, Delhi
TOTAL	-	38,999,182	19,167,367	58,166,549	
Grand Total	43,166,932	38,999,182	19,167,367	101,333,481	



Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **Instrumentation Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Palakkad.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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.

Auditor's Responsibility

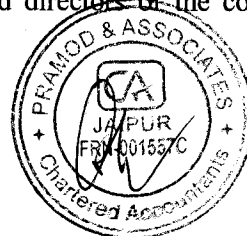
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3)



provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

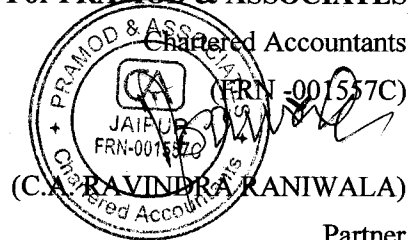
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 PRAMOD & ASSOCIATES



(C.A. PRAVINDRA RANIWALA)

Partner

M.No. 073191

Place: JAIPUR

Date: 26/02/2021

UDIN-21073191AAAAAL5032

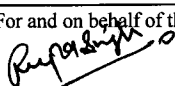
INSTRUMENTATION LIMITED

**BALANCE SHEET
AS AT 31ST MARCH, 2020**

Particulars	Note No.	As at 31-3-2020		As at 31-3-2019	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	2	240,453,000		240,453,000	
(b) Reserves & Surplus	3	(5,707,059,309)		(6,062,854,081)	
(c) Money received against share warrants		-	(5,466,606,309)	-	(5,822,401,081)
2. Share Application Money					
Pending Allotment	4		-		-
3. Non-Current Liabilities					
(a) Long Term Borrowings	5	-		-	
(b) Deferred Tax Liability (Net)	6	-		-	
(c) Other Long Term Liabilities	7	46,032,336		136,038,977	
(d) Long Term Provisions		-		-	
			46,032,336		136,038,977
4. Current Liabilities					
(a) Short Term Borrowings	8	4,255,774		19,620,645	
(b) Trade Payables	9	274,801,106		335,218,880	
(c) Other Current Liabilities	10	7,529,980,082		7,579,737,928	
(d) Short Term Provisions	11	100,283,100		-	
			7,909,320,062		7,934,577,453
Total			2,488,746,089		2,248,215,349
ASSETS					
1. Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	12	103,255,402		114,815,410	
(ii) Intangible Assets	12	54,301		549,809	
(iii) Capital Work in Progress	12	-		6,122,494	
(iv) Intangible Assets under Development		-		-	
		103,309,703		121,487,713	
(b) Non-Current Investments	13	-		-	
(c) Long Term Loans and Advances	14	125,907,329		127,421,359	
(d) Deferred Tax Assets (Net)	6	-		-	
(e) Other Non-Current Assets	15	6,794,131		7,334,806	
			236,011,163		256,243,878
2. Current Assets					
(a) Current Investments	16	3,500		90,000	
(b) Inventories	17	345,065,036		339,437,930	
(c) System Work (At Sites)	18	-		-	
(d) Trade Receivables	19	684,960,011		843,393,377	
(e) Cash and Bank Balances	20	1,078,398,714		637,769,099	
(f) Short Term Loans and Advances	21	23,251,640		35,712,114	
(g) Other Current Assets	22	121,056,026		135,568,951	
			2,252,734,926		1,991,971,471
Total			2,488,746,089		2,248,215,349

Significant Accounting Policies and 1 to 32 Notes form integral part of these Financial Statements.

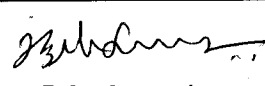
For and on behalf of the Board



Rupa Singh Bisht
Company Secretary
M.No. A46662



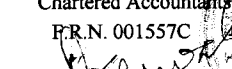
Madan Pal Singh
Director
DIN No. 08414417

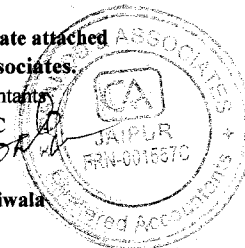


B. Balasubramanian
Chairman and Managing Director
DIN No. 08948039

In terms of our report of even date attached
For Pramod & Associates.

Chartered Accountants
F.R.N. 001557C


CA. Ravindra Raniwala
Partner
M.No. 073191



Place : Jaipur
Date : 26 February, 2021

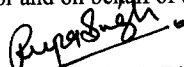
INSTRUMENTATION LIMITED

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2020**


Particulars	Note No.	2019-2020		2018-2019	
		₹	₹	₹	₹
REVENUE FROM OPERATIONS	23	571,767,580		759,039,534	
Jobs done for internal use	24	-		-	
Total		571,767,580		759,039,534	
Less :- Excise Duty		-		-	
Revenue from Operations (Net)			571,767,580		759,039,534
Other Income	25		47,055,941		80,484,451
Total Revenue			618,823,521		839,523,985
EXPENSES					
Cost of Materials consumed	26		252,884,963		319,616,722
Changes in Inventories of Finished goods & Work-in-process	27		12,108,921		8,412,150
Employee benefit expenses	28		168,740,607		202,644,653
Services & Sub-Contracting			49,497,614		84,413,014
Finance Cost	29		1,161,010		2,303,358
Depreciation and Amortisation Exp.	30		14,911,682		14,097,241
Other Expenses	31		149,586,820		97,974,158
Total Expenses			648,891,617		729,461,296
Profit/(Loss) before exceptional and extraordinary items and tax			(30,068,096)		110,062,689
Exceptional items	32.5		(486,145,967)		(901,337,110)
Profit/(Loss) before extraordinary items and tax			456,077,871		1,011,399,799
Extraordinary items			-		-
Profit/(Loss) before Tax			456,077,871		1,011,399,799
Tax Expenses					
Current Tax		100,283,100		-	
Deferred Tax		-	100,283,100	-	
Profit/(Loss) for the year			355,794,771		1,011,399,799
Basic & Diluted EPS	32.6	Basic ₹	1897		4206
(Face value of ₹ 1000/-each)		Diluted ₹	467		1035

Significant Accounting Policies and 1 to 32 Notes form integral part of these Financial Statements.

For and on behalf of the Board


Rupa Singh Bisht
Company Secretary
M.No. A46662

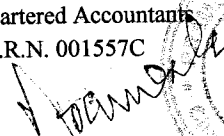

Madan Pal Singh
Director
DIN No. 08414417

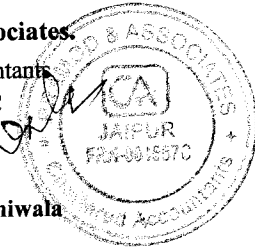

B. Balasubramanian
Chairman and Managing Director
DIN No. 08948039

In terms of our report of even date attached

For Pramod & Associates.

Chartered Accountants
F.R.N. 001557C


CA. Ravindra Raniwala
Partner
M.No. 073191



Place : Jaipur
Date : 26 February, 2021

INSTRUMENTATION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

Particulars	2019-2020 ₹	2018-2019 ₹
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax & Extraordinary items :-	456,077,871	1,011,399,799
Depreciation & amortisation	14,911,682	14,097,241
Loss on sale of fixed assets	-	-
Provision for doubtful debts	98,596,703	-
Provision - others	-	-
Interest Income	(39,255,252)	(34,132,983)
Dividend Income	-	-
Rent and other Revenue	(233,828)	(651,367)
Interest Expenses	1,161,010	2,303,358
Operating Profit before working capital changes	531,258,186	993,016,048
Adjustment for:-		
Investment	86,500	-
Trade Receivable	59,836,664	448,084,484
Inventory	(5,627,106)	(44,959)
Loans and Advances and Other Current Assets	28,843,952	20,922,454
Trade payable, Provisions and Other Liabilities	(215,547,132)	(1,369,386,016)
Net cash from/(used in) operating activities before Tax & extraordinary items	398,851,064	92,592,011
Tax	-	-
Net cash from/(used in) operating activities before extraordinary items	398,851,064	92,592,011
Extra ordinary items	-	-
Net cash from/(used in) operating activities after extraordinary items	398,851,064	92,592,011
B. Cash flow from investing activities		
Purchase of Fixed Assets	(8,737,367)	(25,088,991)
Sale of Fixed Assets	12,003,695	28,816,822
Loss on Sale of Fixed Assets	-	-
Investments	-	-
Interest Received	39,255,252	34,132,983
Dividend received	-	-
Rent and other Revenue received	233,828	651,367
Net cash from / (used in) investing activities	42,755,408	38,512,181
C. Cash flow from financing activities		
Share application money	-	-
Long term Loan	-	-
Borrowings	-	-
Interest Paid	(1,161,010)	(2,303,358)
Net cash from / (used in) financing activities	(1,161,010)	(2,303,358)
D. Net increase in cash & cash equivalent (A+B+C)	440,445,462	128,800,834
Cash & Cash equivalent at the beginning of the year	567,855,027	439,054,193
Cash & Cash equivalent at the end of the year (Refer Note No.20)	1,008,300,489	567,855,027

Note:-1. Cash Flow Statement has been prepared as per AS-3.

2. Cash & Cash Equivalents consists of cash and bank balance & deposits with banks.

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Notes on Financial Statements for the year ended 31st March, 2020

Note:1. Significant Accounting Policies

ACCOUNTING CONVENTION

The Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure. Although assets of Kota Unit have been sold but since Palakkad Unit is going concern and it is only discontinuation of operation of Kota Unit, Instrumentation Limited is a going concern.

Accordingly, the financial statements have been prepared in accordance with the historical cost convention on the basis of a 'going concern' with revenue recognised and expenses accounted for on accrual system of accounting.

Use of Estimates: The preparation of financial Statements requires estimates and assumption which affected the reported amounts of assets, liabilities, revenues & expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1. LAND

The Company values lease-hold land obtained free of cost at the nominal value of Re.1/-.

2. Fixed Assets:

Fixed Assets are valued at historical cost on consistent basis and are net of refundable taxes & levies wherever applicable. All cost relating to acquisition of fixed assets till commissioning of such assets are capitalized..

3. Investment:

Investments are classified into current and long term investments. Current investments are stated at lower of cost or market value. Long term investments are stated at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of management.

4. VALUATIONS

4.1 Raw materials, stores and spare parts are valued at cost or estimated realisable value whichever is lower.

4.2 Bought-out components and manufactured components (including in process) are valued at cost or estimated realisable value whichever is lower. Components purchased/ manufactured against production orders but declared surplus/ obsolete are valued at estimated scrap value. Work-in-process is valued at cost or estimated realisable value whichever is less.

4.3 Loose tools & implements in stock are valued at cost or estimated realisable value whichever is lower. Those in use costing ` 5000/- or less each are charged off to revenue while others are written off over a period of three years.

4.4 Finished goods and completing items are valued at cost or estimated realisable value whichever is lower. Excise duty paid stock at Branch/Regional/Site and other outstation places are valued at cost or estimated realisable value whichever is lower.

4.5 Cost is ascertained using the Weighted Average Method and is the fairest possible approximation to the cost incurred in bringing the inventories to their present location and condition.

4.6 System work-in-progress at customer's sites are valued at 95% of the proportionate contract value for work executed based on technical evaluation where work completed more than 20% or more. Where the contracts are under finalisation, the price quoted/under negotiation is considered for such valuation. Necessary adjustments are made in the year of finalisation of the contract.

4.7 Scrap is accounted for, to the extent received in Scrap Yard, on estimated realisable value.

5. TURNOVER

5.1 Turnover in respect of system-sale contract is ascertained by valuing despatches to the customers/engineering against each contract at the close of the year on proportionate value of such contracts based on technical evaluation at the commencement of the year. Where the contracts are under finalisation, the price quoted/under negotiation is considered for such valuation.

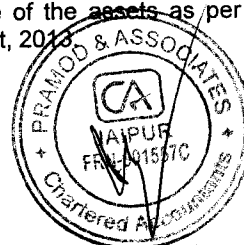
5.2 System work contracts completed/handed over are valued at break-up value of the contracts based on technical evaluation. Turnover in respect of system works contracts in progress is ascertained by valuing such contracts as per Accounting Policy No. 4.6 and reducing there from valuation of work-in-progress at the commencement of the year after adjustment of work completed / handed over.

5.3 Retail sales are net of adjustments/returns pertaining to earlier years.

5.4 Sales are set up based on despatches/ customer acceptance against valid sales contract.

6. DEPRECIATION. TANGIBLE ASSET:

6.1. Depreciation is provided on Straight-Line Method basis. For Fixed Assets put to use upto 01.04.1987 depreciation was provided at the rate specified in Income Tax Rules and at applicable rates specified in Schedule-XIV of the Companies Act, 1956 for the assets added after 01.04.1987 upto 31.03.2014. With effect from 01.04.2014, the depreciation is provided based on useful life of the assets as per Schedule-II of the Companies Act, 2013.



6.2. Lease Hold Land is amortised over a period of lease.

6.3 Fixed assets other than Lease Hold Land were depreciated on Straight-Line Method at the rates computed in terms of Section 205 (2)(b) of the Companies Act, 1956, Fraction of percentage was rounded to the next percent in respect of asset put to use prior to 2.04.1987.

6.4. Items of Plant and Machinery costing upto Rs. 5000/- each are depreciated at 100%. Other assets costing upto Rs. 750/- and put to use prior to 16.12.1993 were depreciated at 100% and those costing upto 5000/- each and put to use on or after 16.12.1993 are depreciated at 100%.

6.5. Asset at work sites were depreciated at higher rates due to higher wear & tear upto 31.03.2014. With effect from 1.04.2014 depreciation based on useful life of assets as per Part-II of the Companies Act, 2013 is provided.

6.6. Residual value in respect of assets capitalized is taken @ of 5% w.e.f. 01.4.2014 except for Sl.no. 6.2 & 6.4 above.

INTANGIBLE ASSET:

6.7. The cost of technical knowhow and documents acquired for new production are capitalized and the same are depreciated over a period of five years based on useful life of assets as per part-II of Companies Act, 2013 from the day these are put to use.

6.8. Cost of software and documents acquired for other performances are capitalized and the same are depreciated over a period of five years based on useful life of assets as per part-II of Companies Act, 2013 from the day these are put to use.

6.9. Residual value in respect of cost of technical knowhow, documents and softwares is considered as Nil.

7. CONTRACTUAL OBLIGATION

Provision for contractual obligation in respect of completed/handed over contracts under warranty and executed portion of each system sale contract is kept at 5% of the value excluding excise duty.

The same is written back after fulfillment of contractual obligations. The expenses incurred against contractual obligations including short supplies, replacement, rejections are charged to natural heads of accounts in the year of occurrence.

8. DISCONTINUING OPERATIONS:- As per Accounting Standard 24:

A discontinuing operation is a component of enterprises:

- a) that the enterprise, pursuant to a single plan is:
 - i) disposing of substantially in its entirety, such as by selling the component in a single transaction or by demerger or spin-off of ownership of the component to the enterprise's shareholders; or
 - ii) disposing of placement, such as by selling off the component's assets and selling its liabilities individually; or
 - iii) terminating through abandonment; and
- b) that represents a separate major line of business or geographical area of operation; and
- c) that can be distinguished operationally and for financial reporting purpose.

As mentioned earlier in accounting convention closure order of Kota Complex has been passed, it is satisfying the condition mentioned above, therefore it is

discontinued operation but no disclosure has been made as per AS 24 in Financial Statement.

9. Provisions, Contingent Liabilities & Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and reliable estimates of amount of the obligation can be made. Provisions are determined based on management estimate require to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

10. Impairment of Assets : The carrying amounts of assets are reviewed at each Balance Sheet date . In case there is any indication of impairment based on Internal / External factors, an Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

11. Liquidated Damages / Price Reduction Schedule, if any, are accounted for as and when recovery is effected and the matter is considered settled by the Management.

12. Cash Flow Statement: Cash Flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard AS-3 on "Cash Flow Statement".

13. OTHERS:-

13.1 GRATUITY.

The Company contributes an amount equal to the premium for the Cash Accumulation Policy taken with Life Insurance Corporation of India, to Gratuity Trust, for onward payments to the Life Insurance Corporation.

13.2 EARNED LEAVE

The Company has taken Cash Accumulation Policy from Life Insurance Corporation of India, in accordance with actuarial valuation for encashment of leaves by the employees on retirement or death.

13.3 RESEARCH AND DEVELOPMENT.

All expenditure incurred on Research and Development except on acquisition of fixed assets is charged to revenue.

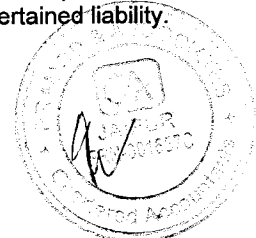
13.4 TRANSLATION OF FOREIGN CURRENCY ACCOUNTS.

Accounts of overseas Branch in foreign currency are converted for incorporation in annual accounts at the following rates:

- i) Items of income and expenditure are translated at the average rate except depreciation which is converted at the rate adopted for the fixed assets.
- ii) Assets and Liabilities are translated at the closing rate.
- iii) Translation variations, if debit, are adjusted to reserve/revenue.

13.5 EXCHANGE RATE.

Liability for deferred payments and receivable in foreign currency is accounted for at the exchange rate prevailing at the close of the year except in the case of forward exchange contracts / ascertained liability.



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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

2 SHARE CAPITAL

Particulars	As at 31-3-2020	As at 31-3-2019
	₹	₹
AUTHORISED		
2,50,000 Equity Shares (Previous year 2,50,000) of ₹ 1,000/- each	<u>250,000,000</u>	<u>250,000,000</u>
ISSUED, SUBSCRIBED & PAID-UP		
2,40,453 Equity Shares (Previous year 2,40,453) of ₹ 1,000/- each	240,453,000	240,453,000

2.1 Details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31-3-2020		As at 31-3-2019	
	No. of Shares	% held	No. of Shares	% held
President of India	240,450	100	240,450	100

2.2 The reconciliation of the number of shares outstanding is set out below :-

Particulars	As at 31-3-2020	As at 31-3-2019
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	240,453	240,453
Add : Issued during the year	-	-
Less : Cancelled during the year	-	-
Equity Shares at the end of the year	<u>240,453</u>	<u>240,453</u>

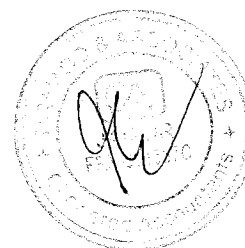
2.3 Aggregate number of shares issued for consideration other than cash :

Particulars	As at 31-3-2020	As at 31-3-2019
	No. of Shares	No. of Shares
Equity Shares	753	753

3 RESERVES & SURPLUS

Particulars	As at	As at
	31.03.2020	31-3-2019
	₹	₹
Capital Reserves		
As per last Financial Statement	10,142,031	10,142,031
Statement of Profit & Loss		
As per last Balance Sheet	(6,072,996,111)	(7,081,380,305)
Add : Profit /(Loss) for the year	355,794,771	1,011,399,799
Add: Adjustment relating to Fixed Assets (Residual Value)	-	(3,015,606)
Closing Balance	<u>(5,717,201,340)</u>	<u>(6,072,996,112)</u>
Less: Miscellaneous Exps. (to the extent not written off)		
As per last Balance Sheet	-	-
Add : Expenditure on VRS during year.	-	-
Less : Amortisation during the year	-	-
Deferred Revenue Exps. to the extent not written off	-	-
Total	<u>(5,707,059,309)</u>	<u>(6,062,854,081)</u>

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

4. SHARE APPLICATION MONEY PENDING ALLOTMENT

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Share application money pending allotment	1,220,096,000	1,220,096,000
Share Application Money pending allotment Includes :-		
4.1 Amount of Govt. of India Loan of ₹ 25,98,46,000/- (previous year ₹ 25,98,46,000/-) converted into Equity Share Capital awaiting allotment of 2,59,846 (previous year 2,59,846) Equity shares of Rs. 1000/- each.		
4.2 Amount of ₹ 48,36,00,000/- (previous year ₹ 48,36,00,000/-) received by the Company under MRS towards issue of 4,83,600 (previous year 4,83,600) 3.5% Preference Shares of Rs. 1000/- each .		
4.3 Amount of ₹ 47,66,50,000/- (previous year ₹ 47,66,50,000/-) received by the Company from Govt. of India for issue of 4,76,650 (previous year 4,76,650) Equity Shares of Rs. 1000/- each .		
4.4 Share application money pending allotment as at 31.03.2019 of ₹ 122,00,96,000/- shown has under the head of Other Current Liabilities (see note no.10)		

5. LONG TERM BORROWINGS

Particulars	As at 31-3-2020		As at 31-3-2019	
	Non Current ₹	Current ₹	Non Current ₹	Current ₹
Unsecured				
(i) Government of India	-	5,845,700,000	-	5,845,700,000
(ii) Government of Rajasthan	-	-	-	-
TOTAL	-	5,845,700,000	-	5,845,700,000

5.1 As per decision of the Union Cabinet taken in meeting held on 30.11.2016 as informed by Deptt. of Heavy Industry, Ministry of Heavy Industry and Public Enterprises, Govt of India vide letter No. 5(1)/2016-PE-VIII dated 08.12.2016 Kota Unit (Kota Complex) of IL is to be closed and in principle approval of transfer of Palakkad Unit of IL to Govt. of Kerala. IL has received funds of ₹ 584,57,00,000/- as a interest free loan which shall be converted into equity later, for meeting liabilities on closure of Kota unit.

6. Deferred Tax Liability/Assets (Net)

In view of losses incurred by the Company, the net deferred tax assets as on 31st March, 2020 (being un-absorbed business losses and unabsorbed depreciation) are not recognized in the accounts under review in terms of AS 22, in absence of virtual certainty of sufficient future taxable income.

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

Particulars	As at 31-3-2020		As at 31-3-2019	
	₹	₹	₹	₹
7. OTHER LONG TERM LIABILITIES	Current	Non-Current	Current	Non-Current
Deposits from contractors, Suppliers & others	-	4,027,158	-	3,367,293
Employees Benefits	-	42,005,178	-	132,671,684
	-	46,032,336	-	136,038,977
8. SHORT TERM BORROWINGS	Current	Non-Current	Current	Non-Current
SECURED				
From Banks				
Cash Credit A/c	4,255,774	-	19,620,645	-
Interest accrued & due	-	-	-	-
	4,255,774	-	19,620,645	-

8.1 Nature of Security

Secured by way of hypothecation of tangible movable current assets of the Company viz. raw material, stock in process, components, finished goods, consumable stores, tools and implements, work in progress at customer sites & receivables etc.

8.2 As per approval of Union Cabinet for funding of closure of Kota Complex, dues of Consortium of Banks except State Bank India (the then State Bank of Travencore providing financial facilities to Palakkad Unit of IL) has been settled and paid under OTS in July 2017.

9. TRADE PAYABLES

Particulars	As at 31-3-2020		As at 31-3-2019	
	₹	₹	₹	₹
Trade payables :-				
- Dues to Micro & Small Enterprises	19,342,565		18,285,490	
- Dues to Other than Micro & Small Enterprises	255,458,541	274,801,106	316,933,390	335,218,880
Acceptances		-		-
Total Trade Payable		274,801,106		335,218,880

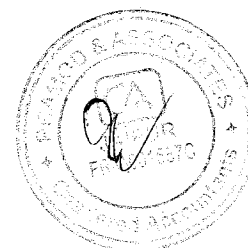
9.1 (a) The Company owes dues to Micro and Small enterprises to whom outstanding for more than 45 days as on 31st March, 2020 is ₹ 1,93,42,565/- (previous year ₹ 1,82,85,490/-). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(b) Disclosure in accordance with Section 22 of the Act read with Notification No. GSR 719(E) dated 16th November 2007 issued by the Ministry of Corporate Affairs:

<u>Particulars</u>	31.03.2020	31.03.2019
	₹	₹
(a) Principal amount remaining unpaid and interest due thereon	19,342,565	18,285,490
(b) Interest paid in term of Sec. 16	-	-
(c) Interest due and payable for the period of delay in payment	-	-
(d) Interest accrued and remaining unpaid	-	-
(e) Interest due and payable even in the succeeding years	-	-

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

10. OTHER CURRENT LIABILITIES	As on 31 March, 2020		As on 31 March, 2019	
	₹	₹	₹	₹
Current maturities of Long Term Loans (Refer Note No.5)		5,845,700,000		5,845,700,000
Share application money pending allotment(Refer Note No.4)		1,220,096,000		1,220,096,000
Advance from Customers against:-				
(a) System contracts	-		-	
Less: On account payments transferred to work in-progress at site (as per contra)	-	-	-	-
(b) Retail Sale		31,807,675		21,080,544
For Expenses	203,223,896		248,170,516	
Others	32,405,084		35,347,229	
Employees Benefits	-	235,628,980	-	283,517,745
Interest accrued but not due		-		-
Deposits from contractors, Suppliers & others		196,747,427		209,343,639
TOTAL		7,529,980,082		7,579,737,928

11. SHORT TERM PROVISIONS

	As on 31 March, 2020		As on 31 March, 2019	
	₹	₹	₹	₹
- Provision for Income Tax		100,283,100		
- Provision for Contractual obligations		-		-
- Provision for sales tax on works projects		-		-
- Others		-		-
TOTAL		100,283,100		-

11.1 Adequate provision in respect of project and products where the Company is under obligation of warranties has been made in the books in accordance with AS-29. Details of provision are as under:-

	Opening Balance as on 01.04.2019	Provision made during the year	Provision Written	Closing Balance as on 31.03.2020
			Back during the year	
	(₹)	(₹)	(₹)	(₹)
Contingencies	-	-	-	-
Sales Tax	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

- 12.1 The company has acquired 10 Acres of land at RIICO Industrial Area, Sitapura, Jaipur from RIICO Ltd., Jaipur against which it has surrendered 25 Acres of land to RIICO Ltd., at Kota, out of its lease hold land (lease rent ` 1/- P.A.) as per approval of Government of Rajasthan, Industries Deptt.'s (Group-1) vide letter No. PO4(54) Udyog/1/89 dated 2nd March, 1991. The possession of land at Sitapura has been taken on 7.3.91 and possession for land at Kota has been handed over to RIICO Ltd.
- Vide Union Cabinet decision for Closing Kota Unit of Instrumentation Limited, the land at Sitapura is also to be handed over to Govt. of Rajasthan. Company has received approval of Govt. of Rajasthan vide letter No. P.15(22) Industry/1/1993/part dated 05.06.2018 issued from Deptt. of Industry (Group-1). Govt. of Rajasthan for conveying cabinet approved No. 86/2018 of Govt. of Rajasthan in respect of handover the lease land at Sitapura, Jaipur to RIICO, Govt of Rajasthan.
- 12.2 Vide Administer Ministry, Ministry of Heavy Industries & Public Enterprises, Deptt. of Heavy Industry letter No. 6(1)/2014-PE VIII dated 23.08.2018 conveyed to handover (1) 181.883 acres land at Kota with the built up structure free of all encumbrances to the Govt. of Rajasthan. (2) 10.59 acres land (inclusive of 0.59 acre of freehold land) at Sitapura Industrial Area Jaipur to RIICO. Accordingly, Lease land 10.59 acres (inclusive of 0.59 acre of freehold land) at Sitapura Industrial Area Jaipur hand over to RIICO, Govt of Rajasthan on 28.08.2018 and 181.883 acres land at Kota with the built up structure free of all encumbrances handover to Tehsildhar, Ladpur, Kota, Govt. of Rajasthan.
- 12.3 As per the decision of the closure of Kota Unit of IL by Union Cabinet dated 31.01.2016, movable assets are disposed off through MSTC as per DPE guidelines on closure issued dated 07.09.2016 and revised on 14.06.2018. The Immovable Assets at Delhi, Vadodara, Mumbai & Jaipur owned by the Company are also disposed through Land Management Assets agency (LMA) i.e. M/s NBCC with the Administer Ministry, Ministry of Heavy Industries & Public Enterprises, Deptt. of Heavy Industry and according to DPE guidelines on closure.
- 12.4 The company has acquired assets worth ` 72.17 lakhs of Rajasthan Electronics Ltd., Jaipur (a wholly owned subsidiary company of RIICO Ltd.) through RIICO Ltd., against surrender of 103 Acres of land to RIICO Ltd. out of its lease hold land at Kota (lease rent ` 1/- p.a.) as per Govt. of Rajasthan approval vide letter No.F(4)3/1/92 dated 29.1.92.
- 12.5 Sale of Jaipur Assets 1.04 Acres of Land at Malviya Nagar, Jaipur to the Intelligence Bureau at the reserve price for this land is ` 21.80 crores and Sale of 1.37 Acres of Land at Malviya Nagar, Jaipur to the National Institute of Ayurvedia, Ministry of Aayush at the reserve price for this land is ` 23.60 Crores through the Land Management Agency i.e. M/s NBBC Limited) appointed by GOI. Sale proceeds has been received up to 31.03.2020 and both land has been handed over to Intelligence Bureau and National Institute of Ayurvedia, Ministry of Aayush.
- 12.6 Buildings include ` 63,39,622/- for which the Company possess clear title, registration of the same is yet to be executed. However, depreciation at applicable rate has been provided.
- 12.7 The company has surrendered 80.50 Acres of its leasehold surplus land of its township at Kota in 2002-03 and 9.50 Acres of surplus land in factory area in 2010-11 to Govt. of Rajasthan to generate fund as per Sanctioned Revival Scheme. The Company has received total amount of ` 145.81 Crores upto 31.03.2018 from Govt. of Rajasthan as loan. As per decision of the Union Cabinet taken in meeting held on 30.11.2016, Loans from Govt. of Rajasthan is to be negotiated/ settled. In this regards, Company has been received a approval of Govt. of Rajasthan vide letter No. P.15(22) Industry/1/1993/part dated 05.06.2018 issued from Deptt. of Industry (Group-1). Govt. of Rajasthan for conveying cabinet approved No. 86/2018 of Govt. of Rajasthan in respect of waived off outstanding Loan with interest upto 31.03.2018. Accordingly, Loan of Govt. of Rajasthan outstanding as on 31.03.2018 has been written off (see exceptional item note no. 32.5).
- 12.8 Lease Hold Land is amortized in equal installment over a lease period.
- 12.9 Provision for impairment of loss as required under Accounting Standard -28 on impairment of Assets is not necessary as in the opinion of management there is no impairment of the Company's Assets in term of AS -28.
- 12.10 Land at Kota have been allotted by State Govt. of Rajasthan on lease basis for a period of 99 years. The same has been included under the head Land. In view of approval of Union Cabinet for closure of Kota Complex and approval of GOR latter dated 05.06.2018 the land is handover to GOR.
- 12.11 The land owned by Palakkad Unit, measuring 566.30 acres which was assigned on registry to Instrumentation Limited, Kota for establishment of Precision Instrumentation Project at Pudussey Kerala under the Rules of Assignment of Government Land for Industrial Purposes dated 30.03.1964. This land was assigned through Patna No 938. No lease / hire purchase agreement was executed in the transfer of land. There were resumptions / surrenders / allotments of unused land to Govt. of Kerala / other Govt Institutions in the period upto 2009. Vide proceedings No F3-2018/19231/9/500 dated 10.06.2019 of Tehsildar (Land Records), Instrumentation Limited, Palakkad has possession of 48.9320 hectare (120.91 acres) of land in survey 37/13 Block 35 and category of land is "Own property". Land of 88.7920 hectare (219.40 acres) in Survey no 37/13 Block 35 is name of Central Govt. Precision Instrumentation Project and category of land is "Porambokku" (Govt. Land). The land was allotted by Government of Kerala at free of cost. Therefore, the land valued at minimal value Re. 1/-.

INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

13. Non-current Investments

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
LONG TERM INVESTMENT		
TRADE at Cost (Unquoted)	-	-
TOTAL	<u>-</u>	<u>-</u>

14. Long Term Loans and Advances

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
(Unsecured, considered good unless otherwise stated)		
Advances against Capital items	6,446,457	6,511,443
Security Deposits		
Deposits:-		
- With Govt. Departments	-	-
- With Others	-	-
Other Loans & Advances		
- Advances recoverable in cash or kind or for value to be recd.		
- Considered good	119,460,872	120,909,916
- Considered doubtful	-	-
	<u>119,460,872</u>	<u>120,909,916</u>
Less: Provision	-	-
- Balance with Port Trust, Customs, excise etc.	-	-
TOTAL	<u>125,907,329</u>	<u>127,421,359</u>

15. Other Non-Current Assets

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
Deposits:-		
- With Govt. Departments	5,455,144	5,455,144
- With Others	1,108,021	1,542,442
Interest accrued on deposits & advances	230,966	337,220
TOTAL	<u>6,794,131</u>	<u>7,334,806</u>

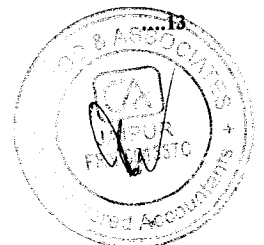
16. Current Investments

Particulars	As at 31-3-2020 ₹	As at 31-3-2019 ₹
OTHERS - TRADE AT COST (UNQUOTED)		
350 Equity shares of ₹ 10 each (Previous year 350 Equity shares of ₹10 each) fully paid up in Engineering Projects (India) Ltd.	3,500	90,000
TOTAL	<u>3,500</u>	<u>90,000</u>

16.1 Company made investment Rs. 90,000/- (90 Equity Share of Rs. 1000/- per share) in Equity Share of M/s Engineering Project (India) Ltd. in earlier years. Afterward M/s Engineering Project (India) Ltd., converted 90 Equity share in 350 Equity share of Rs. 10/- each due to restructuring and issued new share certificate on 08.11.2011. Therefore diminishing value of Investment of Rs. 86,500/- has been booked as Exceptional item (Note No. 32.5).

16.2 In view of approval of Union Cabinet for closure of Kota Complex, the Investment in Equity Shares of Engineering Projects (India) Ltd. has been handedover to Deptt. Of Heavy Industries, Govt. of India, New Delhi in May 2017, approval of same is awaited.

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

	As at 31-3-2020		As at 31-3-2019	
	₹	₹	₹	₹
19. TRADE RECEIVABLES (Unsecured, considered good unless otherwise stated)				
Outstanding over six months:-*				
- Considered good	463,128,421		504,450,653	
- Considered doubtful	597,267,469		498,670,766	
Other debts :-				
- Considered good	206,116,125		316,816,443	
- Considered doubtful	-		-	
	<u>1,266,512,015</u>		<u>1,319,937,862</u>	
Less: Provision	<u>597,267,469</u>	<u>669,244,546</u>	<u>498,670,766</u>	821,267,096
Retention Money **		<u>15,715,465</u>		<u>22,126,281</u>
Total		<u>684,960,011</u>		<u>843,393,377</u>

19.1 Provision has been made for the debts considered doubtful by the management. However, there are some debts, though old, due mainly from Govt. Deptt., PSUs etc. which have been considered as good by the management against which no provision has been made.

19.2 As per past experience of the company, liquidated damages for delay in execution of projects are generally being waived by the customers. Accordingly, all the cases of liquidated damages were examined on case to case basis and , a sum of ₹ 35,42,85310/- has been charged to the Statement of Profit & Loss towards LD incurred during the previous years and a provision of ₹ 1,29,46,715/- has been charged to the the Statement of Profit & Loss towards LD incurred during the year.

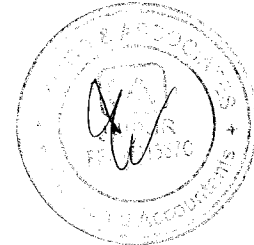
19.3 * Includes ₹ 21,20,72,503/- (previous year ₹ 21,20,72,503/-) against orders received from UHBVN in 2009 were terminated and reconciliation of work/material is in process.Regarding Rs. 8.23 Crores recovery against Bid nos. 187,188 & 189 arbitrator has been nominated by UHBVN and proceedings are continuing.

19.4 * Includes ₹ 3,45,91,358/- (previous year ₹ 3,45,91,358/-) against order received from PSPCL in 2008 was terminated by the customer in 2010. The dispute arose between PSPCL & IL was subsequently referred to the arbitrator nominated by PSPCL and proceedings are going on.

19.5 Sundry Debtors, Loans & Advances including interest, balance in Deposit Account with customers, creditors, material with others and at customers sites and other personal accounts are taken as per books.

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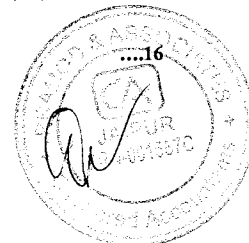
INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

Particulars	As at 31-3-2020		As at 31-3-2019	
	₹	₹	₹	₹
20. CASH AND BANK BALANCES				
- Cash and Cash Equivalents				
- Cash on hand		91,612		335,425
- Cheques, DDs, Stamps on hand including in transit		7,336		5,924
- With scheduled Banks -				
-In current and Saving A/c		70,701,023		46,763,245
-In Cash Credit A/c		-		-
-In Margin Money A/c		-		-
- Deposit with original Maturity for less than 3 months		937,500,518		520,750,433
		<u>1,008,300,489</u>		<u>567,855,027</u>
- Other Bank Balances				
-In Fixed Deposit *				
- Deposit with original Maturity for more than 3 months but less than 12 months	70,098,225		69,914,072	
- Deposit with original Maturity for more than 12 months	-	70,098,225	-	69,914,072
- Others		-		-
TOTAL		<u>1,078,398,714</u>		<u>637,769,099</u>
Of the above, the balances that meet the definition of Cash & Cash equivalents as per AS-3 Cash Flow Statements is		<u>1,008,300,489</u>		<u>567,855,027</u>
* Includes amount ₹ 62,28,926/- (Previous year ₹ 63,76,926/-) pledged as margin money.				
21. SHORT TERM LOANS & ADVANCES				
- Loans and Advances				
(Unsecured, considered good unless otherwise stated)				
- Considered good		383,515	4,721,363	
- Considered doubtful		-	-	
		<u>383,515</u>	<u>4,721,363</u>	
Less: Provision		383,515	-	4,721,363
Income Tax & Sales Tax payment in advance and deduction at source		8,973,968		16,076,665
Balance with Port Trust, Customs, excise etc.		8,142,034		9,161,163
Deposits:-				
- With Govt. Departments		1,841,385		1,842,185
- With Others		3,910,738		3,910,738
TOTAL		<u>23,251,640</u>	<u>47,211,144</u>	
22. OTHER CURRENT ASSETS				
Interest accrued on deposits & advances		8,970,675		8,729,904
Deposits:-				
- With Govt. Departments		-		-
- With Others		1,127,955		1,127,955
- Claims & other amounts recoverable:				
- Considered good		22,121,013	36,874,709	
- Considered doubtful		-	-	
		<u>22,121,013</u>	<u>36,874,709</u>	
Less: Provision		22,121,013	-	36,874,709
Govt. of India		88,836,383		88,836,383
TOTAL		<u>121,056,026</u>	<u>135,568,951</u>	

22.1 Pursuant to approval of CCEA as informed by Deptt. of Heavy Industry, Ministry of Heavy Industry and Public Enterprises, Govt of India vide letter No.5(4)/2010-PE-VIII dated 23.02.2016, Govt. of India Loan of ₹ 16,75,00,000 and normal & penal interest of ₹ 22,52,53,392/- as on 31.03.2016 has been adjusted against consideration of ₹ 48.16 Crores transfer of entire shareholding of IL in REIL to Govt. of India. Balance amount of ₹ 8,88,36,383/- shall be adjusted towards future restructuring/ closure liability of IL (₹ 48.16 Crores- ₹ 39.28 Crores).

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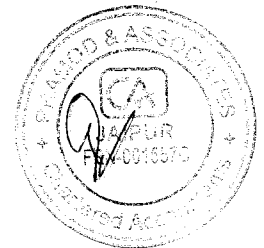
INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

23. REVENUE FROM OPERATIONS

Particulars	2019-2020			2018-2019		
	₹	₹	₹	₹	₹	₹
A. Retail Sale			562,730,708			723,557,246
B. Execution of System Contracts						
1. System			-			-
2. Works						
-Completed & Adj.	-			-		
- In progress as as on 31-3-2020	-			-		
Less:						
- In Progress as on 31-3-2019	-	-	-	-	-	-
C. Other Services			9,036,872			35,482,288
			<u>571,767,580</u>			<u>759,039,534</u>

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

24. JOBS DONE FOR INTERNAL USE

Particulars	2019-2020		2018-2019	
	₹	₹	₹	₹
Capital Items		-		-
Others		-		-
TOTAL		<u>-</u>		<u>-</u>

25. OTHER INCOME

Particulars	2019-2020		2018-2019	
	₹	₹	₹	₹
Excess Liability written back		-		231,575
Profit on Sale of Fixed Assets		1,293,383		20,541,639
Interest				
- Banks	37,381,228		33,940,819	
- Others	<u>1,874,025</u>	39,255,252	<u>192,164</u>	34,132,983
Prior Period Items (Net) (Refer Note No. 31.1)		-		3,302,121
Exchange difference (Net)		-		411,265
Scrap sale		4,967,091		18,413,354
Rent & Other Revenues				
- Township	233,828		651,367	
- Others	<u>-</u>	233,828	<u>-</u>	651,367
Miscellaneous income		1,306,387		2,800,147
TOTAL		<u>47,055,941</u>		<u>80,484,451</u>

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

26. COST OF MATERIALS CONSUMED

Particulars	Unit	2019-2020		2018-2019	
		Qty.	₹	Qty.	₹
(A) RAW MATERIALS CONSUMED					
1. Stainless Steel and Alloy Steel and other special alloys	Kgs	29,968	6,626,323	21,981	5,449,617
	Mtrs	3,311	532,201	4,920	664,451
	Nos.	22	37,056	10	4,625
2. Mild and Alloy Steel	Kgs	-	-	9	769
	Mtrs	8	18,122	5	10,123
3. Copper and Copper based alloys & other non-ferrous metals excluding Aluminium	Kgs	246	167,609	68	38,632
	Mtrs	490	63,953	1,970	236,182
4. Aluminium and its alloys	Kgs	-	-	-	-
	Mtrs	-	-	-	-
5. Others	Kgs	-	-	13	2,901
	Mtrs	151	20,450	376	55,620
	Nos.	-	-	2	2,255
			<u>7,465,715</u>		<u>6,465,175</u>
Other adjustment			-		-
	TOTAL(A)		<u><u>7,465,715</u></u>		<u><u>6,465,175</u></u>
(B) BOUGHT OUT COMPONENTS					
1. Electrical, Electronics and Electro-mechanical components and sub assemblies			-		-
2. Pneumatic fittings			-		-
3. Fastners			2,670,194		2,899,214
4. Other auxiliary components and sub assemblies			9,554,090		14,485,114
5. Mechanical, Metallic components and sub assemblies			226,951,074		280,328,615
6. Non-metallic components and sub-assemblies			6,243,889		15,438,604
			<u>245,419,248</u>		<u>313,151,547</u>
Other uses/adjustment(Net)			-		-
	TOTAL(B)		<u><u>245,419,248</u></u>		<u><u>313,151,547</u></u>

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

Particulars	2019-2020 ₹	2018-2019 ₹
(C) COMPLETING ITEMS*		
-Opening Stock	-	-
-Purchases	-	-
-Other Adjustments	-	-
	<hr/>	<hr/>
	-	-
Less: Used for other than sales	-	-
Closing Stock	-	-
	<hr/>	<hr/>
	-	-
TOTAL(C)	<hr/>	<hr/>
	-	-
TOTAL (A) TO (C)	<hr/>	<hr/>
	252,884,963	319,616,722

*Includes value of replacement

26.1 Due to varied specification, quantity data has not been given in respect of Components consumed and completing items.

26.2 Expenditure on Materials i.e. Consumption of Raw materials, Boughtout items, Completing items, Store & spares and tools include value reduction on account of obsolescence of Bought out items of ₹ 3,49,288/- (Previous year ₹ 3,23,336/-). This does not include such value reduction of manufactured items amounting to ₹ 1,19,136/- (Previous year ₹ 2,66,773/-).

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS, AND MANUFACTURED COMPONENTS

Particulars	2019-2020 ₹	2018-2019 ₹
Closing Balance		
(i) Finished goods	56,841,670	57,305,445
(ii) Work in process	41,107,344	48,065,350
(iii) Manufactured Components	46,927,678	51,614,818
TOTAL	<u>144,876,692</u>	<u>156,985,613</u>
Less: Opening Balance		
(i) Finished goods	57,305,445	49,338,233
(ii) Work in process	48,065,350	62,556,406
(iii) Manufactured Components	51,614,818	53,503,124
TOTAL	<u>156,985,613</u>	<u>165,397,763</u>
Net Accretion/ (Decretion)	<u>(12,108,921)</u>	<u>(8,412,150)</u>

28. EMPLOYEES' BENEFIT EXPENSES

Particulars	2019-2020 ₹	2018-2019 ₹
Salaries, Wages, Bonus & Allowances	140,138,474	160,333,571
PF Contribution	10,373,672	11,156,363
Gratuity	-	7,004,357
Staff Welfare Expenses	18,228,461	24,150,362
TOTAL	<u>168,740,607</u>	<u>202,644,653</u>

28.1 During the year the following amounts were paid and provided for Chairman and Managing Director and full time Directors as remuneration :-

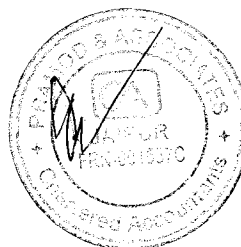
	2019-2020 ₹	2018-2019 ₹
Salaries and allowances	-	576,461
PF contributions	-	39,931
Other perquisites	-	-
	-	<u>616,392</u>

Besides the above, use of staff car including for personal use, upto a ceiling of 750 kms. per month for Chairman-cum Managing Director and for full time Directors on payment of ₹ 2000/- per month has been allowed in accordance with the terms of appointment.

28.2 Expenditure on Public Relations are as under:-

	2019-2020 ₹	2018-2019 ₹
Salaries wages, Bonus and Allowances included in Note No. 28	-	-
Public Relation Expenses shown in Note No. 31.	-	-

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

29 FINANCE COST

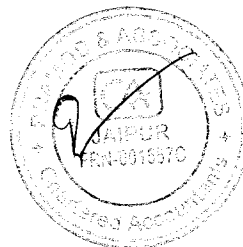
Particulars	2019-2020 ₹	2018-2019 ₹
Bank Borrowings	1,161,010	990,486
Others	-	1,312,872
TOTAL	1,161,010	2,303,358

30. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2019-2020 ₹	2018-2019 ₹
Depreciation		
Depreciation on Tangible Assets (Pl.see Note No.12) A	14,416,174	13,601,733
Depreciation on Intangible Assets (Pl.see Note No.12) B	495,508	495,508
Amortisation of Deferred Revenue Exps.		
Amortisation during the year C	-	-
Depreciation and Amortisation Expenses (A+B+C)	14,911,682	14,097,241

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INSTRUMENTATION LIMITED

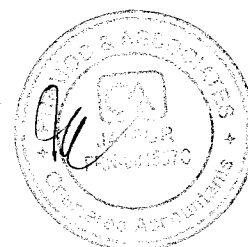
Notes on Financial Statements for the year ended 31st March, 2020

31. OTHER EXPENSES

Particulars	2019-2020		2018-2019	
	₹	₹	₹	₹
Directors fees and expenses		-		24,336
Rent		355,250		-
Rates & Taxes		1,144,424		1,036,563
Insurance		434,377		476,838
Travelling expenses-Directors		869,802		944,395
Travelling expenses-Others		2,578,706		3,265,364
Conveyance Charges		1,862,129		2,913,813
Vehicle running & maintenance		1,207,355		1,357,361
Payment to Auditors (including Cost Auditors)				
(a) As Auditors				
-Fees	228,000		288,000	
-Expenses	44,949	272,949	25,000	313,000
(b) In other capacity in respect of				
-Certification fee	24,000		42,880	
-Tax Audit fee	54,000	78,000	54,000	96,880
Legal Expenses		1,489,745		849,055
Repairs & Maintenance(other than salaries & wages)				
-Plant & Machinery	1,509		126,000	
-Buildings	12,759,886		11,685,985	
-Others	1,014,598	13,775,993	1,269,451	13,081,436
Advertisement & Publicity		58,007		250,574
Business Promotion		-		-
Stores, Spares & Tools Consumed		10,566,577		10,722,680
Packing & Forwarding		13,112,468		14,634,480
Public Relations		-		-
Other selling & distribution Exps.		124,063		513,876
Liquidated Damages		12,946,715		14,425,622
Power & Electricity		7,390,465		14,106,675
Water Charges		1,396,316		3,452,012
Social Welfare exp.		165,400		95,616
Research & Development (other than Salaries & Wages)		68,000		329,317
Printing & Stationery		2,234,384		2,816,539
Loss on sale of Fixed Assets		-		-
Claims / sundry debit balances		-		-
Bank charges		2,380,130		3,524,594
Exchange rate variation(Net)		-		-
Postage, Telegram, Telex & Telephone Exps		1,086,018		1,314,717
Provision for Doubtful debt Loans & Advance and Claims - Net		64,307,250		-
Miscellaneous expenses		9,236,369		7,428,416
Prior Period Items (Net)		445,929		-
TOTAL		149,586,820		97,974,158

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INSTRUMENTATION LIMITED

31.1 Details of Prior Period items are as under:-

Particulars	2019-2020 ₹	2018-2019 ₹
DEBITS		
Salaries, wages & allowances	562,145	-
Interest	78,555	-
Repair & maintenance	-	321,460
Others	297	-
Misc. Expenses	-	-
Total Debits	640,997	321,460
CREDITS		
Power & Fuel	195,068	-
Audit expenses	-	34,560
Others	-	3,589,021
Misc. Income	-	-
Total Credits	195,068	3,623,581
NET CREDIT/ (DEBIT)	(445,929)	3,302,121

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

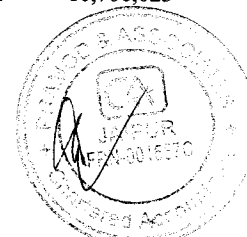
32 Contingent Liabilities not provided for in respect of :-	2019-20	2018-19
	₹	₹
(a) Guarantees given by Bankers to Customers and others.	65,851,336	53,480,302
(b) Balance of outstanding commitments against letters of credit established by the company	7,837,358	7,837,358
(c) Claims against the company not acknowledged as debt except where amount is not ascertainable	-	-
(d) Less charge memos on account of custom duty	-	-
(e) Sales Tax demand disputed in appeals	21,927,703	21,927,703
(f) Service Tax demand disputed in appeals	-	-
(g) Pending sales-tax declaration forms (C/E-1 Forms)	-	-
(h) Legal undertaking for Deemed Export project under duty exemption scheme for discharge of export obligations	-	-
(i) LD under dispute with UHBVN, Hariyana	82,265,000	82,265,000
(j) Claim of Sales Tax by Dakshinanchal Vidhut Vitaran Nigam Ltd..	-	-
(k) Estimated Liability for 1997 pay-revision arrears for the period w.e.f. 1.1.1997 to 22.2.2009.	1,258,398,899	1,258,398,899

INFORMATION REGARDING EXPORT & IMPORTS:-

	2019-2020			2018-2019
	₹			₹
(a) Earning in Foreign Exchange				
Export of goods				
-Retail sale (F.O.B.BASIS)*	1,897,751			4,821,904
(b) Value of Imports(CIF)				
-Raw Materials	534,708			-
-Components,Completing items & Spare Parts	23,509,703			51,758,119
-Capital Goods	-			-
(c) Expenditure in foreign currency				
(does not include expenditure of Branch abroad)				
-Technical know how and documents	-			-
- Others	-			-
(d) Value of Consumption				
Raw materials		%		%
-Imported	258,950	3.47	440,844	6.82
-Indigenous	7,206,765	96.53	6,024,331	93.18
Boughtout components				
-Imported	29,399,253	11.98	51,591,184	16.47
-Indigenous	216,019,994	88.02	261,560,364	83.53
Stores & Spares				
-Imported	441,233	4.18	21,657	0.20
-Indigenous	10,125,344	95.82	10,701,023	99.80

* Excludes deemed export ₹ Nil/- (Previous year ₹ Nil/-)

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

32.1 LEAVE ENCASHMENT:

In respect of Employees of Kota Complex:

In view of approval for closure of Kota Complex, all employees of Kota Complex have been relieved under VRS/VSS in April 2017. Liability towards the amount of Leave Encashment paid to the employees of Kota Complex in June 2017 has been recognised in the books as on 31.03.2017.

In respect of Employees of Palakkad Unit:

The present value of obligation in respect of leave encashment is determined based on Actuarial Valuation for encashment of leaves by the employees on retirement, resignation or death. Accordingly, the same has been provided in the books.

(Amount in ₹)

(a) Reconciliation of opening and closing balance of defined benefit obligation:

Particulars	2019-20	2018-19
Opening Defined Benefit Obligation on 1-4-2019	13,522,515	12,171,153
Service cost for the year	6,542,859	7,300,094
Interest cost for the year	1,259,545	1,186,590
Actuarial losses (gains)	1,080,345	1,969,262
Benefits paid	(8,660,046)	(9,104,584)
Closing defined benefit obligation on 31-3-2020	13,745,218	13,522,515

(b) Reconciliation of opening and closing balance of fair value of plan assets.:

Particulars	2019-20	2018-19
Opening fair value of plan assets	-	-
Expected return	-	-
Actuarial gains (losses)	1,080,345	1,969,262
Contributions by employer	-	-
Benefits paid	-	-
Closing balance of fund	-	-

(c) Reconciliation of fair value of assets and obligations:

Particulars	2019-20	2018-19
Present value of funded obligations	13,745,218	13,522,515
Fair value of plan assets	-	-
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Net liability	13,745,218	13,522,515
Amounts in the balance sheet:		
Liabilities	13,745,218	13,522,515
Assets	-	-
Net Liability	13,745,218	13,522,515

(d) Expenses recognised during the year:

Particulars	2019-20	2018-19
Current service cost	6,542,859	7,300,094
Interest on obligation	1,259,545	1,186,590
Expected return on plan assets	-	-
Net actuarial losses (gains) recognised in the year	1,080,345	1,969,262
Past service cost	-	-
Losses (gains) on curtailments and settlement	(8,660,046)	(9,104,584)
Expense recognised	13,745,218	13,522,515

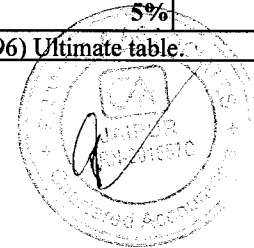
(e) Investment Details :

Funds managed by Insurer (LIC) 100% 100%

(f) Actuarial Assumption :

Particulars	2019-20	2018-19
Discount rate as on 31-3-2020	7.50%	7.50%
Expected return on plan assets at 31-3-2020	-	-
Annual increase in Salary costs	5%	5%
Mortality Rate	Indian Lives Mortality (1994-96) Ultimate table.	

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

32.2 The Company is engaged in manufacturing of multiple products using many common inputs and plant and machinery. It is extremely difficult to apportion common infrastructure of manufacturing, assembling and testing of such multiple products. Due to diverse nature of company's activities and that the risks and returns of the Company are not affected by geographical or economic factors and can be determined from aggregate data, therefore, provision of segment reporting is not required in accordance with AS 17.

32.3 As per Accounting Standard 18 (AS 18) issued by ICAI, the disclosures of transactions with related parties as defined in the AS 18 are given below :-

Key Management personnel :-

Sl.No.	Name	Nature of Relationship
1	Shri R. Gopala Rao	Chairman and Managing Director (Addl. Charge)

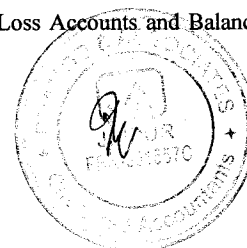
Transactions during the year with the related parties are as under:-

Key Management personnel :-

Key Management personnel :-	Nature of Transaction	Value of Transaction (₹)	Balance with related parties as at 31.03.2020 (₹)
Shri R. Gopala Rao (Additional charge for the post of CMD)	Remuneration	-	-

32.4 The Ministry of Heavy Industry & Public Enterprises, Govt. of India vide its letter dated 08.12.2016 intimated the decision of the Union Cabinet in its meeting held on 30.11.2016 for closure of Kota Unit (comprising Corporate Head Quarter, Kota Unit, P-DDC Unit and Marketing Unit viz Kota Complex) and in principle approval for transfer of Palakkad Unit of Instrumentation Limited to Government of Kerala in a time bound manner as per DPE Guideline dated 07.09.2016 of closure. In compliance of directives of Govt. of India, all employees of Kota have been relieved under VRS/VSS on 18.04.2017. Immovable and Movable assets of Kota complex, are under the process of sale through M/s. NBCC, (a PSU under Ministry of Steel) and M/s. MSTC, as per Govt. guidelines. Accordingly, the Finance Statement have been prepared on the basis of a 'going concern' for Palakkad Unit and 'not on going concern' basis of Kota Complex. Standalone Profit & Loss Accounts and Balance Sheet of Kota Complex and Palakkad Unit as below:-

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

Particula	Kota Complex		Palakkad Unit		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
REVENUE FROM OPERATIONS	-	-	571,767,580	759,039,534	571,767,580	759,039,534
Jobs done for internal use	-	-	-	-	-	-
Total	-	-	571,767,580	759,039,534	571,767,580	759,039,534
Less :- Excise Duty	-	-	-	-	-	-
Revenue from Operations (Net)	-	-	571,767,580	759,039,534	571,767,580	759,039,534
Other Income	38,797,275	70,108,377	8,302,266	10,376,074	47,099,541	80,484,451
Finished Goods Transfer	-	-	-	-	-	-
Total Revenue	38,797,275	70,108,377	580,069,846	769,415,608	618,867,121	839,523,985
EXPENSES						
Cost of Materials consumed	-	-	252,884,963	319,616,722	252,884,963	319,616,722
Changes in Inventories of Finished goods & Work-in-process	-	-	12,108,921	8,412,150	12,108,921	8,412,150
Employees Benefit Expenses	5,221,087	22,240,100	164,009,049	180,404,553	169,230,136	202,644,653
Services & Sub-Contracting	778,160	14,356,767	48,719,454	70,056,247	49,497,614	84,413,014
Finance Cost	-	1,312,872	1,161,010	990,486	1,161,010	2,303,358
Depreciation and Amortisation Expense	433,566	514,331	14,478,116	13,582,910	14,911,682	14,097,241
Other Expenses	74,033,694	19,742,646	75,107,197	78,231,513	149,140,891	97,974,159
Total Expenses	80,466,507	58,166,716	568,468,710	671,294,581	648,935,217	729,461,297
Profit/(Loss) before exceptional and, extraordinary items and tax	(41,669,232)	11,941,661	11,601,136	98,121,027	(30,068,096)	110,062,688
Exceptional item	(494,597,057)	(1,357,891,949)	8,451,090	456,554,839	(486,145,967)	(901,337,110)
Profit/(Loss) before extraordinary items and tax	452,927,825	1,369,833,610	3,150,046	(358,433,812)	456,077,871	1,011,399,798
Extraordinary items	-	-	-	-	-	-
Profit/(Loss) before Tax	452,927,825	1,369,833,610	3,150,046	(358,433,812)	456,077,871	1,011,399,798
Tax Expenses						
Current Tax	100,283,100	-	-	-	100,283,100	-
Deferred Tax	-	-	-	-	-	-
Profit/(Loss) for the year	352,644,725	1,369,833,610	3,150,046	(358,433,812)	355,794,771	1,011,399,798

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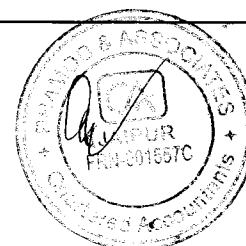
INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

Balance Sheet

Particula	Kota Complex		Palakkad Unit		Total	
	As on	As on	As on	As on	As on	As on
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	(₹)		(₹)	(₹)	(₹)	(₹)
I. Source Of Funds						
1. Shareholders' Funds						
(a) Share Capital	240,453,000	240,453,000	-	-	240,453,000	240,453,000
(b) Reserves & Surplus	(5,707,059,310)	(6,062,854,083)	1	1	(5,707,059,309)	(6,062,854,082)
2. Share Application Money						
Pending Allotment	-	-	-	-	-	-
3. Non-Current Liabilities						
(a) Long Term Borrowings	-	-	-	-	-	-
(b) Deferred Tax Liability	-	-	-	-	-	-
(c) Other Long Term Liabilities	-	-	46,032,336	136,038,977	46,032,336	136,038,977
(d) Long Term Provisions	-	-	-	-	-	-
4. Current Liabilities						
(a) Short Term Borrowings	-	-	4,255,774	19,620,645	4,255,774	19,620,645
(b) Trade Payables	202,501,507	201,726,097	72,299,599	133,492,783	274,801,106	335,218,880
(c) Other Current Liabilities	7,447,687,130	7,494,100,463	82,292,952	85,637,466	7,529,980,082	7,579,737,929
(d) Short Term Provisions	100,283,100	-	-	-	100,283,100	-
3. Inter Unit Transfer	(806,879,512)	(806,196,841)	806,879,512	806,196,841	-	-
Total	1,476,985,915	1,067,228,636	1,011,760,174	1,180,986,713	2,488,746,089	2,248,215,349
ASSETS						
1. Non-Current Assets						
(a) Fixed Assets						
(i) Tangible Assets	9,536,016	13,766,628	93,719,386	101,048,782	103,255,402	114,815,410
(ii) Intangible Assets	-	-	54,301	549,809	54,301	549,809
(iii) Capital Work in Progress	-	-	-	6,122,494	-	6,122,494
(b) Non-Current Investments	-	-	-	-	-	-
(c) Long Term Loans and Advances	-	-	125,907,329	127,421,359	125,907,329	127,421,359
(d) Other Non-Current Assets	-	-	6,794,131	7,334,806	6,794,131	7,334,806
Total	9,536,016	13,766,628	226,475,147	242,477,250	236,011,163	256,243,878
2. Current Assets						
(a) Current Investments	3,500	90,000	-	-	3,500	90,000
(b) Inventories	-	-	345,065,036	339,437,930	345,065,036	339,437,930
(c) System Work (At Sites)	-	-	-	-	-	-
(d) Trade Receivables	329,329,697	394,097,084	355,630,314	449,296,293	684,960,011	843,393,377
(e) Cash and Bank Balances	1,007,058,761	521,086,178	71,339,953	116,682,921	1,078,398,714	637,769,099
(f) Short Term Loans and Advances	18,773,653	26,207,008	4,477,987	9,505,106	23,251,640	35,712,114
(g) Other Current Assets	112,284,288	111,981,738	8,771,738	23,587,213	121,056,026	135,568,951
Total	1,467,449,899	1,053,462,008	785,285,027	938,509,463	2,252,734,926	1,991,971,471
Total	1,476,985,915	1,067,228,636	1,011,760,174	1,180,986,713	2,488,746,089	2,248,215,349

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INSTRUMENTATION LIMITED

Notes on Financial Statements for the year ended 31st March, 2020

32.5 Exceptional item :-

	2019-2020 Amount (₹)	2018-2019 Amount (₹)
1. Write back of Credit balance	(46,349,964)	(8,158,000)
2. Write off of Debit balance	1,996,533	
3. Waived off Govt. of Rajasthan Loan	-	(1,361,768,000)
4. EPI Investment Written Off	86,500	-
4. VRS/VSS on Closure of the Company	-	156,533
4. Capital Gain on Sale of Land & Building	(450,330,126)	-
5. Fixed Assets Written Off	-	11,877,517
6. Liability for Gratuity & Earned Leave towards earlier years (Palakkad Unit)	222,703	25,779,521
7. Sales Tax towards earlier years (Palakkad Unit)	-	438,013
8. Stock discrepancy provision prior period (Palakkad Unit)	(13,114,350)	14,403,109
9. LD provision prior period (Palakkad Unit)	-	339,859,688
10. Doubtful debts provision prior period (Palakkad Unit)	21,342,738	76,071,514
11. Other prior period expenditure (Palakkad Unit)	-	2,995
	(486,145,967)	(901,337,110)

32.6 Earning per share calculated in accordance with the provisions of AS-20 :-

	As on 31.03.2020 (₹)	As on 31.03.2019 (₹)
EPS on Profit		
Profit after tax as per Statement of Profit & Loss (Used as denominator)	456,077,871	1,011,399,799
Number of Equity shares (Face value ₹ 1000/- each)	240,453	240,453
Weighted Average number of equity shares for calculating Basic earning per share	240,453	240,453
Weighted Average number of equity shares for calculating Diluted earning per share	976,949	976,949
Basic earning per share (₹/ per share) (Face value of ₹ 1000/- each)	1897	4206
Diluted earning per share (₹/ per share) (Face value of ₹ 1000/- each)	467	1035


32.7 Figures have been rounded off to the nearest rupee, wherever considered necessary. Figures in brackets () indicate deduction.

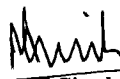
32.8 The figures of the previous year have been regrouped/reclassified wherever necessary.


32.9 The figures of Palakkad Unit have been regrouped/reclassified wherever necessary.

32.10 Note No.1 to 32 form integral part of the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement.

For and on behalf of the Board


Rupa Singh Bisht
Company Secretary
M.No. A46662


Madan Pal Singh
Director
DIN No. 08414417


B. Balasubramanian
Chairman and Managing Director
DIN No. 08948039

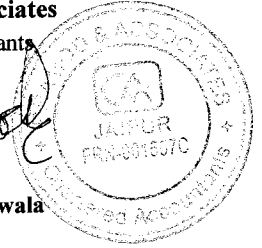
In terms of our report of even date attached

For Pramod & Associates

Chartered Accountants

F.R.N. 001557C


CA. Ravindra Raniwala
Partner
M.No. 073191



Place : Jaipur
Date : 26 February, 2021