R.K. MALPANI & ASSOCIATES
CHARTERED ACCOUNTANTS
103-A, SHYAM ANUKAMPA, O-11,
ASHOK MARG, C-SCHEME, JAIPUR-302001
PHONE NO. 0141-2364313, 2364413, 2364513
94140-70501(M), 98290-64513(M)
E-mail ID: rkmalpanica@hotmail.com, rkmalpanica@gmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of Rajasthan Electronics & Instruments Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Rajasthan Electronics & Instruments Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (Including Other Comprehensive Income) and Statement of Changes in equity for the year ended, 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 our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, total Comprehensive Income, Changes in equity, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("ICAI"), together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no Key Audit Matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board Report, but does not include the financial statements and our auditor's report thereon. The management has represented that other information shall be made available to us after the date of this auditor's report.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

R.K.MALPANI & ASSOCIATES JAIPUR

When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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.

R.K. MAL... ASSOCIATES
JAIPUR

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

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

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

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

Emphasis of Matter

We draw attention to the following matter in the notes to the Standalone Financial Statement i.e..
Note no .3 describes the assessment of the impact of Covid-19 pandemic by the management on the business and its associated financial risks.

Whereas Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed. Consequential impact on confirmation/ reconciliation/ adjustment of such balances (which will not be material as per management), if any, is not ascertainable.

Our opinion is not modified in respect of these matters.

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, and on the basis of such checks of the books and records of the company as we considered and according to the information and explanations given to us, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered and according to the information and explanations given to us, in the **"Annexure B"** on the directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

R.K.MALPANI & ASSOCIATES JAIPUR

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) We have been informed that the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company, being a Government Company in terms of notification no. G.S.R.463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

We are informed that the provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not-applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463(E) dated June 5, 2015.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21.1 (b) and (c) and Note 36 (g) to the standalone financial statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For R. K. Malpani & Associates
Chartered Accountants
(FRN. 002759C)

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

(Rakesh Jhalani)
Partner
Membership No. 074142

Place : Jaipur
Dated : 16th Sep. 2020
UDIN : **20074142AAAABW3739**

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors' Report of even date to the members of Rajasthan Electronics & Instruments Limited on the standalone financial statements for the year ended March 31, 2020

(i) On the basis of audit procedure obtained and according to the information and explanation given to us during the course of our audit, we report that;

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets has been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management the title deeds of immovable properties included in fixed assets are held in the name of the company.

(ii) As per the information and explanations given to us, physical verification of Inventory has been carried out by the management subsequent to the year end as the same could not be conducted at the year end as per extant policy of the Company due to lockdown restrictions imposed by the Government of India and no material discrepancies were noticed on physical verification.

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

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted deposits from the public in terms of the provisions of sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014,(as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

of electrical goods and electronics machinery, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, service tax, custom duty, excise duty, value added tax, goods and service tax, cess and any other statutory dues, as applicable, with the appropriate authorities in India.

(b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income Tax, Sales Tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31,2020 for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of Service Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Name of status	Nature of the dues	Disputed amount (Rs. in Lakh)	Period to which amount relates	Form where dispute is pending
Central Excise Act	Service Tax	3.82	F.Y. 2009-10 (Vide order dt. 24.07.12)	CESTAT(Custom Excise & Service Tax Appellate Tribunal

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The company did not have any outstanding dues in respect of a financial institution or debenture holders during the year.

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

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

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

(xii) 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 and hence not commented upon.

(xiii) According to the information and explanations given by the management, transaction with the related parties are in compliance with section 177 and 188 of

Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For R. K. Malpani & Associates
Chartered Accountants
(FRN. 002759C)

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

(Rakesh Jhalani)
Partner
Membership No. 074142

Place : Jaipur
Dated : 16th Sep. 2020
UDIN: **20074142AAAABW3739**

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors' Report of even date to the members of Rajasthan Electronics & Instruments Limited on the standalone Ind AS financial statements for the year ended 31st March 2020.

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Rajasthan Electronics & Instruments Limited for the year ended 31st March, 2020:-

Sl. No.	Directions	Action Taken	Impact on Ind AS Financial Statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed/ carried outside the IT system. Accordingly, there are no implications on the integrity of the accounts.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.	NIL

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

Sl. No.	Directions	Action Taken	Impact on Ind AS Financial Statements
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the sanction is regulated through an online platform PFMS wherein the Company's CC account has been registered for transmitting the funds as well as for utilisation of funds. **As per Clause 8 of Sanction Letter No. F.No. 3(01)/2019-NAB-II (Auto) dated 22-04-2019, the company was required to open a separate account for the grant received but the company has not opened separate account for the same and entire transactions related to grant were routed through company's CC account.**	NIL

For R. K. Malpani & Associates
Chartered Accountants
(FRN. 002759C)

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

(Rakesh Jhalani)
Partner
Membership No. 074142

Place : Jaipur
Dated : 16th Sep. 2020
UDIN: **20074142AAAABW3739**

"Annexure C" to the Independent Auditor's Report of even date on the Financial Statements of RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED:

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

We have audited the internal financial controls over financial reporting of **RAJASTHAN ELECTRONICS & INSTRUMENTS 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.

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 Act.

Auditors' 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 Ind AS 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

R.K. MALPANI & CO. JAIPUR Chartered Accountants regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, 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 the Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R. K. Malpani & Associates
Chartered Accountants
(FRN. 002759C)

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

(Rakesh Jhalani)
Partner
Membership No. 074142

Place : Jaipur
Dated : 16th Sep. 2020
UDIN: **20074142AAAABW3739**

Rajasthan Electronics & Instruments Limited
Balance sheet as at March 31, 2020

(All amounts in ₹ , unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current Assets			
(a) Property, plant and equipment	4	17,97,72,417	17,87,49,096
(b) Capital work-in-progress	4	18,91,03,090	14,96,50,136
(c) Intangible assets			
(i) Technical Know How	5	-	5,709
(d) Financial assets			
(i) Trade receivables	6	3,05,23,325	4,76,24,432
(ii) Other financial assets	9A	69,34,319	66,50,155
(e) Deffered Tax Asset (Net)	8	10,26,24,924	-
(f) Other non-current assets	12A	4,57,612	12,33,187
Total Non-current Assets		**50,94,15,687**	**38,39,12,715**
II. Current Assets			
(a) Inventories	10	27,15,53,876	19,45,52,471
(b) Financial assets			
(i)Trade receivables	7	1,79,64,29,314	2,78,53,41,750
(ii) Cash and cash equivalents	11	12,54,293	5,70,72,647
(iii) Bank balances other than (ii) above	11A	3,41,46,470	3,32,56,191
(iv) Other financial assets	9B	4,31,45,655	4,28,22,305
(c) Current tax assets (Net)	13	4,66,93,357	-
(d) Other current assets	12B	4,26,41,239	2,08,53,247
Total Current Assets		**2,23,58,64,204**	**3,13,38,98,611**
Total Assets (I + II)		**2,74,52,79,891**	**3,51,78,11,326**
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	14	12,25,00,000	12,25,00,000
(b) Other Equity	15	81,68,15,418	1,02,78,42,022
Total Equity		**93,93,15,418**	**1,15,03,42,022**
LIABILITIES			
II. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16A	60,53,258	1,83,97,216
(ii) Trade payables	20A	39,37,203	-
(b) Provisions	18A	26,79,999	23,81,006
(c) Deffered Tax Liablities (Net)	8	-	35,34,436
(d) Other non-current liabilities	19A	2,69,60,356	4,16,24,423
Total Non-current Liabilities		**3,96,30,816**	**6,59,37,081**
III. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16B	9,74,59,347	-
(ii) Trade payables	20B	1,35,21,33,371	1,88,21,72,161
(iii) Other financial liabilities	17	4,16,65,284	3,81,69,619
(b) Provisions	18B	5,98,94,285	5,50,34,177
(c) Current tax liabilities (Net)	13	-	1,16,82,712
(d) Other current liabilities	19B	21,51,81,370	31,44,73,554
Total Current Liabilities		**1,76,63,33,657**	**2,30,15,32,223**
IV. Total Liabilities (II + III)		**1,80,59,64,473**	**2,36,74,69,304**
Total Equity and Liabilities (I + IV)		**2,74,52,79,891**	**3,51,78,11,326**

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

As per our report of even date attached
For & on behalf of **R.K. Malpani & Associates**
Chartered Accountants
FRN 002759C

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

Rakesh Jhalani
Partner
Membership No. 074142
Place: Jaipur
Date: 16th Sept. 2020
UDIN: 20074142AAAABW3739

For and on behalf of the Board

(Ashok Pathak)
Director

(Rakesh Chopra)
Managing Director

(Amit Kumar Jain)
Company Secretary

(Subhash Agrawal)
Chief Financial Officer

Rajasthan Electronics & Instruments Limited

Statement of profit and loss for the year ended March 31, 2020

(All amounts in ₹ , unless otherwise stated)

	Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I.	Revenue from Operations	22	1,10,91,30,454	2,69,31,33,150
II.	Other income	23	1,20,77,586	1,97,31,036
III.	**Total Income (I + II)**		**1,12,12,08,040**	**2,71,28,64,186**
IV.	**Expenses**			
	Cost of material consumed	24	66,38,34,340	1,69,27,61,043
	Change in inventories of finished goods and Work-in-progress	25	(5,26,23,878)	1,75,86,482
	Employee benefits expense	26	35,28,35,487	34,36,39,753
	Finance costs	27	1,32,04,146	1,08,07,022
	Depreciation and amortisation expenses	28	1,83,26,997	1,88,12,811
	Other expenses	29	41,93,07,245	48,56,69,843
	Total expenses		**1,41,48,84,337**	**2,56,92,76,954**
	Profit / (Loss) before exceptional items and tax		**(29,36,76,297)**	**14,35,87,232**
	Add: Exceptional items		-	-
V.	**Profit / (Loss) before tax**		**(29,36,76,297)**	**14,35,87,232**
VI.	**Less: Tax expense**	30		
	1. Current tax		-	3,72,08,730
	2. Provision Reversal		(2,13,01,825)	-
	3. Deferred tax		(10,17,11,146)	35,88,721
	Total Tax Expense		**(12,30,12,971)**	**4,07,97,451**
VII.	**Profit / (Loss) for the year (V - VI)**		**(17,06,63,326)**	**10,27,89,781**
VIII.	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		(1,52,75,462)	(2,32,29,021)
	B (i) Income tax relating to items that will not be reclassified to profit or loss		44,48,214	67,64,291
	Total other comprehensive income (VIII=A (i)+B(i))		**(1,08,27,248)**	**(1,64,64,730)**
IX.	**Total comprehensive income for the year (VII+VIII)**		**(18,14,90,574)**	**8,63,25,051**
	Earnings per equity share	31		
	(1) Basic (in Rs.)		(13.93)	8.39
	(2) Diluted (in Rs.)		(13.93)	8.39

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

As per our report of even date attached

For & on behalf of **R.K. Malpani & Associates**
Chartered Accountants
FRN 002759C

R.K. Malpani & Associates Chartered Accountants JAIPUR

Rakesh Jhalani
Partner
Membership No. 074142
Place: Jaipur
Date: 16th SEPT. 2020
UDIN: 20074142AAAABW3739

For and on behalf of the Board

(Ashok Pathak)
Director

(Rakesh Chopra)
Managing Director

(Amit Kumar Jain)
Company Secretary

(Subhash Agrawal)
Chief Financial Officer

Rajasthan Electronics & Instruments Limited
Statement of cash flows for the year ended March 31, 2020

(All amounts in ₹ , unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flows from operating activities		
Profit/(Loss) for the year	(18,14,90,574)	8,63,25,051
Adjustments for:		
Income tax expense recognised in profit or loss	(12,30,12,971)	4,07,97,451
Other Comprehensive Income	1,08,27,248	1,64,64,730
Allowances for bad debts	9,07,92,139	2,58,23,917
Bad debts	-	1,31,31,878
Finance costs recognised in profit or loss	1,32,04,146	1,08,07,022
Interest income recognised in profit or loss	(1,13,46,445)	(1,67,04,116)
Depreciation and amortisation	1,83,26,997	1,88,12,811
Cash generated from operations before working capital changes	**(18,26,99,460)**	**19,54,58,744**
Movements in working capital:		
(Increase) / Decrease in trade receivables	91,52,21,404	(48,56,48,519)
(Increase) / Decrease in other assets	(1,98,72,938)	1,36,85,493
(Increase)/Decrease in inventories	(7,70,01,405)	1,63,96,828
Increase/ (Decrease) in trade payables	(52,61,01,587)	42,36,26,807
Increase/(Decrease) in provisions	(1,01,16,361)	49,30,425
Increase/(Decrease) in other payables	(11,03,63,051)	(1,18,09,281)
	17,17,66,062	**(3,88,18,247)**
Cash generated from operations	(1,09,33,398)	15,66,40,497
Income Taxes Paid	(3,70,74,244)	(2,92,29,486)
Net cash generated by operating activities	**(4,80,07,642)**	**12,74,11,011**
B. Cash flows from Investing activities		
Payments for property, plant and equipment	(5,65,41,137)	(5,60,07,848)
Proceeds from disposal of property, plant and equipment	1,47,824	12,772
Interest Income	87,09,173	94,97,918
Net cash (used in)/generated by investing activities	**(4,76,84,140)**	**(4,64,97,158)**
C. Cash flows from financing activities		
Proceeds from Borrowings	9,74,59,347	67,26,553
Repayment of borrowings	(1,25,00,000)	(1,43,75,000)
Dividends paid on equity shares	(2,45,00,000)	(2,45,00,000)
Dividend Tax Paid	(50,36,030)	(50,36,050)
Finance cost paid	(1,55,49,889)	(1,43,73,726)
Net (used in)/ generated in financing activities	**3,98,73,428**	**(5,15,58,223)**
Net increase/ (decrease) in cash and cash equivalents	(5,58,18,354)	2,93,55,630
Cash and cash equivalents at the beginning of the year*	5,70,72,647	2,77,17,017
Cash and cash equivalents at the end of the year*	**12,54,293**	**5,70,72,647**

Reconciliation of Cash and Cash Equivalents

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash and cash equivalents as per Cash Flow Statement	12,54,293	5,70,72,647
Difference	-	-
Cash and cash equivalents as per Balance Sheet (Refer Note No. 11)	12,54,293	5,70,72,647

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

1 The above cash flow statement prepared under the "indirect method" as set out in the Ind AS 7 "Cash flow statement".

2 Figures for previous year have been regrouped wherever necessary for uniformity in presentation.

3 Brackets indicate cash outflow.

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

As per our report of even date attached

For & on behalf of **R.K. Malpani & Associates**
Chartered Accountants
FRN 002759C

R.K. Malpani & Associates JAIPUR Chartered Accountants

Rakesh Jhalani
Partner
Membership No. 074142
Place: Jaipur
Date: 16th Sept. 2020
UDIN: 20074142AAAAB03739

For and on behalf of the Board

(Ashok Pathak)
Director

(Rakesh Chopra)
Managing Director

(Amit Kumar Jain)
Company Secretary

(Subhash Agrawal)
Chief Financial Officer

Rajasthan Electronics & Instruments Limited

(All amounts in ₹ , unless otherwise stated)

Statement of changes in equity for the year ended March 31, 2020		
a. Equity share capital	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Balance as at the beginning of the year	12,25,00,000	12,25,00,000
Changes in equity share capital during the year - Share capital issued	-	-
Balance as at end of the year	12,25,00,000	12,25,00,000

March 2020 **(All amounts in ₹ , unless otherwise stated)**

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

March 2019 **(All amounts in ₹ , unless otherwise stated)**

Statement of changes in equity for the year ended March 31, 2019				
b. Other equity	Reserves and surplus		Items of other comprehensive income	
	General reserve	Retained earnings	Remeasurement of Net Defined Benefit Plan	Total
Balance as at March 31, 2018	96,23,45,363	52,01,083	35,06,575	97,10,53,021
Profit for the year		10,27,89,781		10,27,89,781
Other comprehensive income for the year, net of income tax			(1,64,64,730)	(1,64,64,730)
Total comprehensive income for the year	-	**10,27,89,781**	**(1,64,64,730)**	**8,63,25,051**
Payment of dividends		(2,45,00,000)		(2,45,00,000)
Tax on Dividend		(50,36,050)		(50,36,050)
Transfer to General Reserve	6,00,00,000	(6,00,00,000)		-
Balance as at March 31, 2019	**1,02,23,45,363**	**1,84,54,814**	**(1,29,58,155)**	**1,02,78,42,022**

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

As per our report of even date attached
For & on behalf of **R.K. Malpani & Associates**
Chartered Accountants
FRN 002759C

JAIPUR
Chartered Accountants

Rakesh Jhalani
Partner
Membership No. 074142
Place: Jaipur
Date: 16th Sept, 2020
UDIN: 20074142AAAABW3739

For and on behalf of the Board

(Ashok Pathak)
Director

(Rakesh Chopra)
Managing Director

(Amit Kumar Jain)
Company Secretary

(Subhash Agrawal)
Chief Financial Officer

General Information & Significant Accounting Policies forming part of Financial Statements for the year ended March 31, 2020

1. General information:

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

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

Due to outbreak of COVID-19 globally and in India, in view of the Management assessment, likely impact on the business of the Company is only for short term and no medium to long term risks is perceived which will have an impact on company's ability to continue as a going concern. Further, considering the Company's business plans as at March 31, 2020, the Management do not foresee any uncertainty in continuing its business operations and meeting its liabilities as and when it become due for payment.

2. Significant accounting policies

The principal accounting policies are set out below:

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
These financial statements shall be approved by the Board of Directors at their meeting proposed to be held on 16.09.2020.

2.2 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost basis, except certain financial instruments measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation

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technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities

2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The principal accounting estimates used have been described under the relevant income/expense and/or asset/liability item in these financial statements. The Management believes that the estimates used in the preparation of these Financial Statements are prudent and reasonable. Actual results could differ from these estimates.

2.4 Property, plant and equipment

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

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised

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

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets. Property, plant and equipment that suffered an impairment loss are reviewed for possible reversal of the impairment at the end of each reporting period.

2.5 Intangible Assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

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

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.
The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

An impairment test of such intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Statement of Profit and Loss.

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

2.6 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent

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basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

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

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2.7 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is computed on a FIFO basis, Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

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

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

Physical verification of inventories at unit has been conducted by the management. However, due to lockdown on account of Covid-19, physical verification were carried out at dates after the reporting date and subsequently the physical stock were reconciled with stock as on reporting date by applying the roll back method.

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2.8 Revenue recognition

- According to Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized.

- The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

- Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and Service Tax etc

- Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / a service promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

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- The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach toallocate the transaction price to each distinct performance obligation.
- The Company exercises judgment in determining whether the performance obligation is satisfiedat a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existenceof enforceable right to payment for performance to date and alternate use of such product or service,transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.9 Employee Benefits

- **Retirement benefit costs and termination benefits**

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

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

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

Defined benefit costs are categorized as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

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

- **Short-term and other long-term employee benefits**

  A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

  Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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

2.10 Financial instruments

Financial Assets:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.
On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction cost is recognized in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

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

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

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

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Debt Instruments:

Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

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

(b) Measured at fair value through other comprehensive income:
Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss:
A financial asset not classified as either amortized cost or FVOCI, is classified s FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

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

Impairment of Financial Asset

- Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.
- For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.
- The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.
- For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables.

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- At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.
- The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial Liabilities:

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

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

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

2.11 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 —** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.12 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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

2.13 Expenditure

Expenses are accounted on accrual basis.

2.14 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period.

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

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.15 Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

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

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.16 Foreign Currency Transaction

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

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

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

2.17 Government Grant

The Government Grants (Grant in Aid) are accounted for in accordance with Ind-AS 20. The entity shall consider the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the Grant is intended to compensate. Government grants so recognized shall be recognized in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.

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2.18 Leases

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognized to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognized as an expense in line with the contractual term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.19 Earnings per Share

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

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

2.20 Non-Current assets held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

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

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

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2.22 Cash & Bank Balances

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

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

Outbreak of COVID-19 has impacted the realization from customers, however due to company's cash & bank balances position, Company does not foresee its impact on liquidity of company. Company believes that the working capital is sufficient to meet its requirements, accordingly no liquidity risk is perceived by the company.

3. Impact of COVID -19:

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information.

Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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han Electronics & Instruments Limited
forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)
4 Tangible Assets
t Year

(All amounts in ₹ , unless otherwise stated)

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

land includes a land situated at Mansarover, Jaipur alloted by "Rajasthan Housing Board", Jaipur having carrying amount of Rs.110.67 Lakhs as at March 31, 2020 (Rs.111.94 Lakhs as at March 31, 2019) as per allotment Letter dated 26.10.2007@ Rs. 3520/- Sq Mtrs + other charges which has been equitable
mpany is availing fund / non-fund based limits from Punjab National Bank, secured by way of Hypothecation of Raw Material, Stock in process, finished goods and book debts and further collateraly secured by first charge over fixed and movable Capital Assets of the Company.

lition to Capital Work-in-progress during the year include Rs. 25,60,292 (Previous Year Rs. 37,07,828) being borrowing cost capitalised in accordance with Indian Accounting Standard (Ind AS) 23 on "Borrowing Costs".Capitalisation Rate for the Borrowing Cost capitalised is from April 2019 to Dec 2019 is 10.79% and from
20 to March 2020 is 11.27% (Previous Year 10.79%) being the effective interest rate of Term Loan for Construction of building.

nputers and printers has been regrouped from furniture & fixtures and plants & machinery indeginous.
d drains & water supply and Building has been segregated in road, drains & water supply and building seperately.
is Year

lars	Cost or Deemed cost					Accumulated depreciation and impairment					Carrying Amount	
	Balance as at April 1, 2018	Additions	Adjustments	Disposals	Balance at March 31, 2019	Balance as at April 1, 2018	Eliminated on disposals of assets	Depreciation expense	Adjustment	Balance at March 31, 2019	As at March 31, 2019	As at March 31 , 2018
ty plant and equipment												
s	31,81,050	-		-	31,81,050	10,10,753	-	3,68,772	-	13,79,525	18,01,525	21,70,297
Drains & water supply and	3,70,43,985	-		-	3,70,43,985	1,69,46,380	-	8,47,814	-	1,77,94,194	1,92,49,791	2,00,97,605
re and fixtures	1,57,02,855	4,72,970	58,236	-	1,61,17,589	1,14,80,213	-	8,36,217	48,103	1,22,68,327	38,49,262	42,22,642
ower Project	5,80,00,000	-		-	5,80,00,000	3,04,32,110	-	22,42,535	-	3,26,74,645	2,53,25,355	2,75,67,890
rary Structure	26,13,392	-		-	26,13,392	26,13,392	-		-	26,13,392	-	-
nd machinery-Imported	14,53,63,505	-		-	14,53,63,505	5,31,13,569	-	90,99,246	14,775	6,21,98,040	8,31,65,465	9,22,49,936
nd machinery-Indigenous	7,88,57,200	20,06,415	52,780	-	8,08,10,835	4,16,00,108	-	51,80,841	50,141	4,67,30,808	3,40,80,027	3,72,57,092
old Premises	-	-		-	-	-	-	-	-	-	-	-
	1,27,27,973	-		-	1,27,27,973	13,21,737	-	1,28,565	-	14,50,302	1,12,77,671	1,14,06,236
al	35,34,89,960	24,79,385	1,11,016	-	35,58,58,329	15,85,18,262	-	1,87,03,990	1,13,019	17,71,09,233	17,87,49,096	19,49,71,698
							-					
work-in-progress	9,24,13,845	5,72,36,291	-	-	14,96,50,136	-	-	-	-	-	14,96,50,136	9,24,13,845
							-					
	44,59,03,805	5,97,15,676	1,11,016	-	50,55,08,465	15,85,18,262	-	1,87,03,990	1,13,019	17,71,09,233	32,83,99,232	28,73,85,543

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sthan Electronics & Instruments Limited
s forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)
: 5 Intangible Assets
ent Year

(All amounts in ₹ , unless otherwise stated)

iculars	Cost or deemed cost					Accumulated depreciation and Impairment				Carrying Amount	
	Balance as at April 1, 2019	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2020	Balance as at April 1, 2019	Amortisation expense	Adjustments	Balance as at March 31, 2020	As at March 31, 2020	As at March 31, 2019
nical Know-How	72,70,376	-	-	-	72,70,376	72,64,667	5,709	-	72,70,376	-	5,709
otal (a)	**72,70,376**	**-**	**-**	**-**	**72,70,376**	**72,64,667**	**5,709**	**-**	**72,70,376**	**-**	**5,709**

ious Year

iculars	Cost or deemed cost					Accumulated depreciation and impairment				Carrying Amount	
	Balance as at April 1, 2018	Additions from separate acquisitions	Additions from internal developments	Disposals or classified as held for sale	Balance as at March 31, 2019	Balance as at April 1, 2018	Amortisation expense	Adjustments	Balance as at March 31, 2019	As at March 31, 2019	As at March 31, 2018
nical Know-How	72,70,376	-	-	-	72,70,376	71,41,071	1,23,596		72,64,667	5,709	1,29,305
otal (a)	**72,70,376**	**-**	**-**	**-**	**72,70,376**	**71,41,071**	**1,23,596**	**-**	**72,64,667**	**5,709**	**1,29,305**

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Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

6. Trade receivables- Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Unsecured, considered good	3,05,23,325	4,76,24,432
Total	3,05,23,325	4,76,24,432

7. Trade receivables- Current

Particulars	As at March 31, 2020	As at March 31, 2019
From Related Party		
(a) Unsecured, considered good	1,05,000	1,05,000
From Others		
(a) Unsecured, considered good	1,79,63,24,314	2,78,52,36,750
(b) Doubtful	13,54,25,193	4,46,33,054
Less: Allowance for doubtful debts	13,54,25,193	4,46,33,054
Total	1,79,64,29,314	2,78,53,41,750

8. Deferred Tax Asset (Net)

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

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities	(4,16,19,324)	(4,96,46,531)
Deferred tax assets	14,42,44,248	4,61,12,095
Net	10,26,24,924	(35,34,436)

Year ended March 31, 2020

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (assets)/liabilities in relation to:				
Property, plant and equipment	(3,97,90,871)	16,17,297	-	(3,81,73,574)
Fair Value of financial assets	26,87,838	(8,24,164)	-	18,63,674
Allowance for Doubtful Debts	1,29,97,146	2,64,38,670	-	3,94,35,816
Deferred revenue	1,26,06,935	(81,78,931)	-	44,28,004
Deferred expense	(98,55,660)	64,09,910	-	(34,45,750)
Provisions for Employee Benefit	1,78,20,176	2,06,89,378	44,48,214	4,29,57,768
Tax on losses (Carry Forward Losses)	-	5,55,58,986	-	5,55,58,986
Total	(35,34,436)	10,17,11,146	44,48,214	10,26,24,924

Year ended March 31, 2019

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(5,14,38,582)	1,16,47,711	-	(3,97,90,871)
Fair Value of financial assets	56,16,539	(29,28,701)	-	26,87,838
Allowance for Doubtful Debts	65,09,466	64,87,680	-	1,29,97,146
Deferred revenue	2,79,47,448	(1,53,40,513)	-	1,26,06,935
Deferred expense	(2,16,01,628)	1,17,45,968	-	(98,55,660)
Provisions for Employee Benefit	2,62,56,751	(1,52,00,866)	67,64,291	1,78,20,176
Total	(67,10,006)	(35,88,721)	67,64,291	(35,34,436)

9. Other financial assets

9A. Other financial assets - Non current

Particulars	As at March 31, 2020	As at March 31, 2019
From Related Party		
-Security Deposit	40,470	40,470
Others -		
-Security Deposit	10,66,365	10,76,365
-Loans & Advances to employees	4,00,189	4,39,748
-Cash and bank balances not available for immediate use (See Note below)	54,27,295	50,93,572
Total	69,34,319	66,50,155

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

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Balances (including interest accrued thereon) not available for immediate use being deposits pledged with bank as margin money.	3,95,73,765	3,83,49,763
Less: Amount reflected under Other Bank Balance [Note 11A]	3,41,46,470	3,32,56,191
Amount reflected under other financial assets - non-current [Note 9A]	54,27,295	50,93,572

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9B. Other financial assets - Current

Particulars	As at March 31, 2020	As at March 31, 2019
- Security Deposits	8,09,500	6,77,500
- Loans to Staff	76,286	1,09,881
- Earnest Money	4,16,11,869	4,09,12,424
- Grant in Aid Receivable	-	4,74,500
- Subsidy Receivable	6,48,000	6,48,000
Total	4,31,45,655	4,28,22,305

Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

10. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Inventories (lower of cost and net realisable value)		
Raw materials	14,44,56,286	11,99,51,856
Work-in-progress	3,59,14,156	3,90,05,740
Finished goods	9,07,65,602	3,50,50,140
Packing Material	4,17,832	5,44,735
Total	27,15,53,876	19,45,52,471

11. Cash and cash equivalents

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks	11,32,192	5,69,31,986
Cash on hand	1,22,101	1,40,661
Cash and cash equivalents	12,54,293	5,70,72,647

11A. Other Bank Balances

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Deposits pledged with bank as margin money (maturity more than 3 months but less than 12 months)	3,41,46,470	3,32,56,191
Total	3,41,46,470	3,32,56,191

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

12. Other assets
12A. Other assets - Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
Others -		
-Prepaid expenses	4,57,612	12,33,187
Total	4,57,612	12,33,187

12B. Other assets - Current

Particulars	As at March 31, 2020	As at March 31, 2019
From Related Parties		
- Advance against expenses	5,37,729	8,01,132
- Prepaid expenses	16,33,896	35,66,181
- Other Advances	2,70,07,764	57,30,610
- GST Adjustable	1,34,61,850	1,07,55,324
Total	4,26,41,239	2,08,53,247

13. Current tax assets and liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Benefit of tax losses to be carried back to recover taxes paid in prior periods		
Advance Payment of taxes	4,85,34,137	44,97,03,171
	4,85,34,137	44,97,03,171
Current tax liabilities		
Income tax payable	18,40,780	46,13,85,883
	18,40,780	46,13,85,883
Current tax Assets / (Liabilities)	4,66,93,357	(1,16,82,712)

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Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

14. Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Equity share capital	12,25,00,000	12,25,00,000
Total	**12,25,00,000**	**12,25,00,000**

Authorised Share capital :		
15000000 equity shares of Rs. 10 each	15,00,00,000	15,00,00,000
Issued and subscribed capital comprises:		
1,22,50,000 fully paid equity shares of Rs. 10 each (as at March 31, 2019: 1,22,50,000)	12,25,00,000	12,25,00,000
	12,25,00,000	**12,25,00,000**

14.1 Movement during the period

	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
Particulars	**Number of shares**	**Share capital (Amount)**	**Number of shares**	**Share capital (Amount)**
Balance at the start of the period	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000
Movements	-	-	-	-
Balance at the end of the period	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000

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

14.2 Details of shares held by the promoters.

Particulars	As at March 31, 2020	As at March 31, 2019
Government of India	62,47,500	62,47,500
Total	**62,47,500**	**62,47,500**

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	**% holding in the class of shares**	**Number of shares held**	**% holding in the class of shares**
Equity shares:				
Government of India	62,47,500	51%	62,47,500	51%
M/s Rajasthan State Industrial Development and Investment Corporation Ltd., Jaipur	60,02,500	49%	60,02,500	49%
Total	1,22,50,000	100%	1,22,50,000	100%

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15. Other Equity

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

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

Particulars	General Reserves	Retained Earnings	Total
Balance as at March 31, 2018	96,23,45,363	87,07,658	97,10,53,021
Add: Profit/(Loss) for the year	-	10,27,89,781	10,27,89,781
Add: Other Comprehensive Income	-	(1,64,64,730)	(1,64,64,730)
Less: Payment of Dividend	-	2,45,00,000	2,45,00,000
Less: Tax on Dividend	-	50,36,050	50,36,050
Less: Transfer to General Reserves	-	6,00,00,000	6,00,00,000
Add: Transfer from Retained Earnings	6,00,00,000	-	6,00,00,000
Balance as at March 31, 2019	**1,02,23,45,363**	**54,96,659**	**1,02,78,42,022**

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16A. Non-current Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured – at amortised cost		
(i)Term loans		
- from banks	60,53,258	1,83,97,216
Total Non-current borrowings	60,53,258	1,83,97,216

Secured Term Loan from Bank includes Rs.1,87,19,247 as at March 31, 2020 (as at March 31, 2019 Rs.3,11,60,740) of which Rs. 1,26,65,989 (as at March 31,2019 Rs.1,27,63,524) are included in current maturities of long -term debt in Note No.17 for construction of building. The loan is secured by EM of land msg. 2500 Sq Mtrs, situated at Mansarover, Jaipur alloted by "Rajasthan Housing Board, Jaipur as per allotment Letter dated 26.10.2007@ Rs. 3520/- Sq Mtrs + other charges.

The interest rate of above Term Loan is 10.00% p.a. from April 2019 to Dec 2019 and 10.40% p.a. from Jan 2020 to Mar 2020 , however the effective interest on the above loan is from April 2019 to Dec 2019 is 10.79% and from Jan 2020 to March 2020 is 11.27%.

The above loan is also collaterally secured by first charge on all block assets of the company, present & future except primary security of Term Loan.

16B. Current Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
(a) Loans repayable on demand		
-from banks (Cash Credit)	9,74,59,347	-
Total Current borrowings	9,74,59,347	-

Secured Cash Credit Facility from Bank includes Rs. 9,74,59,347 as at March 31, 2020

The interest rate of above CC Facility is. 9.90 % p.a.

The above loan is secured by way of Hypothecation of Raw Material , Stock In Progress , Finished Good , and Book Debts and further secured by first charge over Immovable and Moveable Capital Asset Of The Company .

Footnote

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

Particulars	As at March 31, 2020	Repayment Schedule 2020-21 (₹)	Repayment Schedule 2021-22 (₹)	As at March 31, 2019	Repayment Schedule 2019-20 (₹)	Repayment Schedule 2020-21 (₹)	Repayment Schedule 2021-22
Term Loan (PNB)	1,87,19,247	1,26,65,989	60,53,258	3,11,60,740	1,27,63,524	1,25,00,000	58,97,216
Total	1,87,19,247	1,26,65,989	60,53,258	3,11,60,740	1,27,63,524	1,25,00,000	58,97,216

17. Other financial liabilities - Current

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Earnest Money	77,98,392	93,58,392
(b) Retention money	20,95,950	20,95,950
(c) Security Deposit	96,47,455	27,17,320
(d) Current Maturities of long-term debt	1,26,65,989	1,27,63,524
(e) Employee Benefits Payable	72,13,787	1,06,28,111
(f) Others	22,43,711	6,06,322
Total	4,16,65,284	3,81,69,619

18. Provisions

18A. Provisions - Non current

Particulars	As at March 31, 2020	As at March 31, 2019
Employee benefits	26,79,999	23,81,006
Total	26,79,999	23,81,006

18B. Provisions - Current

Particulars	As at March 31, 2020	As at March 31, 2019
Employee benefits	5,48,94,285	5,25,34,177
Provision for Warranty	50,00,000	25,00,000
Total	5,98,94,285	5,50,34,177

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19. Other liabilities

19A. Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
- Deferred Grant Related to income*	38,61,000	51,48,000
- Deferred Grant Related to asset**	21,35,707	22,42,507
- Deferred Revenue	2,09,63,649	3,42,33,916
Total	2,69,60,356	4,16,24,423

19B. Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
- Advance from customers	9,09,31,593	21,35,62,477
- Deferred Grant Related to income*	8,78,31,000	12,87,000
- Deferred Grant Related to asset**	1,06,800	1,06,800
- Pre-Receipt Training & Education	14,000	9,000
- Deferred revenue	2,49,75,642	4,74,65,703
- Statutory dues	1,13,22,335	5,20,42,574
Total	21,51,81,370	31,44,73,554

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

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

20A. Trade payables - Non Current

Particulars	As at March 31, 2020	As at March 31, 2019
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	-	-
-Total Outstanding dues of creditors other than micro and small enterprises	39,37,203	-
Total	39,37,203	-

20B. Trade payables - Current

Particulars	As at March 31, 2020	As at March 31, 2019
From Related Parties	-	-
From Others		
-Total Outstanding dues of creditors of micro and small enterprises	32,65,87,971	43,00,17,908
-Total Outstanding dues of creditors other than micro and small enterprises	1,02,55,45,400	1,45,21,54,253
Total	1,35,21,33,371	1,88,21,72,161

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21. Contingent liabilities, Contingent assets and Commitments

21.1 Contingent liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Guarantees given by bankers on behalf of the company.	4,430.07	6,328.73
(b) Claims against the company not acknowledged as debts.	39.67	28.08
(c) Service Tax Show cause notices/Demand raised by Excise & Service Tax Department (2009-10)	3.82	3.82

21.2 Contingent assets

Particulars	As at March 31, 2020	As at March 31, 2019
Insurance Claims lodged but not approved/settled	5,56,074	5,74,250
Total	5,56,074	5,74,250

21.3 Commitments

(Rs. In Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Commitments		
Estimated amount of contracts remaining to be executed and not provided for including service and maintenance contracts.	6,539	14,288
Pending Capital Contracts	-	102
Total	6,539	14,390

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(All amounts in ₹ , unless otherwise stated)

22. Revenue from operations

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sales		
Exports	7,41,085	4,03,448
Domestic	63,15,66,576	2,19,53,59,000
(b) Other operating revenues		
Service Maintenance and installation charges	33,19,68,239	39,13,62,356
Grant in aid*	14,23,73,000	8,03,18,500
Insurance Receipts	14,93,997	56,52,814
Carrige Receipts	9,87,557	2,00,37,032
Total	1,10,91,30,454	2,69,31,33,150

* Grant in aid includes grant related to income amounting to Rs 14,23,73,000 in current year (Rs. 8,03,18,500 in previous year) which is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

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

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs.7,20,34,389 of which 43.73% is expected to be recognised next year.No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in Deferred Revenue for the year ended March 31, 2020 are as follows:

Balances at the beginning of the year	8,16,99,619
Revenue recognised during the year	4,51,02,885
Addition during the year	93,42,557
Balance at the end of the year	4,59,39,291

23. Other Income

a) Interest Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Bank Deposits	23,70,838	29,82,590
Others	89,75,607	1,37,21,526
Total (a)	1,13,46,445	1,67,04,116

b) Other Non-Operating Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Amortisation of Government Grant*	1,06,800	1,06,800
Others (aggregate of immaterial items)	6,24,341	29,20,120
Total (b)	7,31,141	30,26,920
Total (a+b)	1,20,77,586	1,97,31,036

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

24. Cost of material consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cost of material Consumed		
Opening stock	12,04,96,591	11,93,06,937
Add: Purchase of raw material	68,82,11,867	1,69,39,50,697
	80,87,08,458	1,81,32,57,634
Less: Closing stock	14,48,74,118	12,04,96,591
Total	66,38,34,340	1,69,27,61,043

24A. Details of material consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Details of Raw Materials consumed		
Solar Energy Equipments		
-Solar Cells	4,67,91,145	9,93,73,698
-Others	30,70,74,328	92,37,64,902
Electronic Milk Analysers	30,05,16,285	65,30,97,216
Consumables & packing materials	94,52,582	1,65,25,227
Total	66,38,34,340	1,69,27,61,043
(b) Value of Imported and Indigenous material consumed		
Imported	8,81,37,302	23,46,72,658
Indigenous	57,56,97,038	1,45,80,88,385
Total	66,38,34,340	1,69,27,61,043

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(All amounts in ₹ , unless otherwise stated)

25. Change in inventories of finished goods and Work-in-progress

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Increase(-) / Decrease(+) in Stock		
Opening Stock		
Work-in-progress	3,90,05,740	3,58,79,488
Finished goods	3,50,50,140	5,57,62,874
	7,40,55,880	9,16,42,362
Less: Closing stock		
Work-in-progress	3,59,14,156	3,90,05,740
Finished goods	9,07,65,602	3,50,50,140
	12,66,79,758	7,40,55,880
Change in inventories of WIP and Finished goods	(5,26,23,878)	1,75,86,482
Total	**(5,26,23,878)**	**1,75,86,482**

26. Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	31,15,65,620	30,33,76,238
Contribution to provident and other funds	3,14,62,620	2,62,37,739
Staff Welfare Expenses	98,07,247	1,40,25,776
Total	**35,28,35,487**	**34,36,39,753**

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27. Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest costs	76,29,357	47,53,877
Bank Charges	28,05,053	24,51,713
Bank Guarantee Commission	27,69,736	36,01,432
Total	1,32,04,146	1,08,07,022

28. Depreciation and amortisation expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property, plant and equipment pertaining to continuing operations	1,83,21,288	1,87,03,990
Less : Depreciation of earlier year written off	-	14,775
Amortisation of intangible assets	5,709	1,23,596
Total depreciation and amortisation pertaining to continuing operations	**1,83,26,997**	**1,88,12,811**

29. Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other Expenses		
Power & fuel	68,04,562	52,60,185
Repair & maintenance		
- Plant & machinery	6,94,804	6,59,574
- Building	15,54,746	27,25,667
- Others	10,26,549	8,19,228
Testing & other expenses	2,38,378	6,05,658
Component & prototype for R&D	5,83,064	6,55,889
Rent	29,55,282	31,91,222
Rates & taxes	16,97,416	16,52,174
Printing & stationery	19,30,047	21,45,505
Travelling & conveyance	1,68,04,696	1,75,32,344
Postage & communication expenses	26,59,114	31,25,426
Board meeting expenses	19,037	26,511
Director's sitting fee	58,000	2,22,000
Vehicle running expenses	4,07,650	3,72,724
Legal & professional fee	31,48,367	46,21,415
Security,cleaning & other expenses	79,10,357	70,01,198
Payment to Auditors	3,03,000	3,16,000
Insurance charges	8,94,182	13,54,989
Training & education	6,99,060	12,76,156
Recruitment expenses	6,21,133	3,81,869
CSR expenses	30,35,744	29,25,243
Allowances for Doubtful Debts	9,07,92,139	2,58,23,917
Bad bebts	-	1,31,31,878
Advertising & business promotion	63,98,550	60,22,502
Forwarding expenses	66,57,335	2,49,25,330
Warranty Obligation	68,51,532	28,04,690
Royalty, Discount & commission	80,40,711	1,30,64,532
Service,maintenance & installation charges	23,74,81,630	33,36,69,161
Foreign exchange fluctuation (net)	9,33,855	2,14,986
Miscellaneous expenses	81,06,305	91,41,870
Total	**41,93,07,245**	**48,56,69,843**

Payments to auditors	Year ended March 31, 2020	Year ended March 31, 2019
(a) Statutory audit fee	1,00,000	1,00,000
(b) Tax audit fee	60,000	45,000
(c) Certification work	1,18,000	1,46,000
(d) Out of pocket expenses	25,000	25,000
Total	3,03,000	3,16,000

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30. Income taxes relating to continuing operations

30.1 Income tax recognised in profit or loss

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current period	-	3,52,05,070
Adjustment of tax relating to earlier year	-	20,03,660
	-	3,72,08,730
Provision Reversal		
In respect of the Previous period	(2,13,01,825)	-
	(2,13,01,825)	-
Deferred tax		
In respect of the current period	(10,17,11,146)	35,88,721
Adjustment of tax relating to earlier year	-	-
	(10,17,11,146)	35,88,721
Total income tax expense recognised in the current period relating to continuing operations	(12,30,12,971)	4,07,97,451

The income tax expense for the period can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) before tax from continuing operations	(29,36,76,297)	14,35,87,232
Tax Rate	29.120%	29.120%
Accounting Profit/(Loss) multiplied by Tax Rate	(8,55,18,538)	4,18,12,602
Additional deduction for Research Expenditure	(88,33,952)	(51,82,179)
Effect of expenses that are not deductible in determining taxable profit		
- CSR Expenditure	8,84,009	8,51,831
- Interest on Income Tax	-	1,75,264
- Amortisation of Leasehold Land	37,438	37,438
Change in Tax Rate	-	(10,64,046)
Adjustment of Tax relating to earlier year	-	20,03,660
Provision Reversal	(2,13,01,825)	-
Effect of tax balances due to expenses allowed between books closing date and ITR Filing.	(82,80,103)	21,62,881
Income tax expense recognised in profit or loss (relating to continuing operations)	(12,30,12,971)	4,07,97,451

30.2 Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferrred Tax		
Re-measurement of defined benefit obligation	44,48,214	67,64,291
Total	44,48,214	67,64,291
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	44,48,214	67,64,291

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31. Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
From Continuing operations	**Rs. per share**	**Rs. per share**
Profit / (Loss) after tax	(17,06,63,326)	10,27,89,781
Weighted average number of equity shares for calculation of basic EPS	1,22,50,000	1,22,50,000
Basic earnings per share (one equity share of Rs. 10/- each)	**-13.93**	**8.39**
Weighted average number of equity shares for calculation of diluted EPS	1,22,50,000	1,22,50,000
Diluted earnings per share (one equity share of Rs. 10/- each)	**-13.93**	**8.39**
From Continuing operations	**Rs. per share**	**Rs. per share**
Basic earnings per share	-13.93	8.39
Diluted earnings per share	-13.93	8.39

31.1 Basic Earnings per share

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit / (Loss) for the period attributable to owners of the Company (A)	(17,06,63,326)	10,27,89,781
Weighted average number of equity shares for the purposes of basic earnings per share (B)	1,22,50,000	1,22,50,000
Basic Earnings per share (A/B)	**-13.93**	**8.39**

31.2 Diluted earnings per share

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Earnings used in the calculation of basic earnings per share	(17,06,63,326)	10,27,89,781
Earnings used in the calculation of diluted earnings per share (A)	(17,06,63,326)	10,27,89,781
Weighted average number of equity shares used in the calculation of basic earnings per share	1,22,50,000	1,22,50,000
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	1,22,50,000	1,22,50,000
Diluted earnings per share (A/B)	-13.93	8.39

32. Employee benefit plans

32.1 Defined contribution plans

The Company contributes to defined contribution retirement benefit plans for all qualifying employees of its Company maintained at Employee Provident Fund Office, Govt.of India .
The total expense recognised in profit or loss account of Rs.2,25,78,330 /- (Previous Year Rs.1,93,45,131 /-).

32.2 Defined benefit plans

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

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

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

Particulars	Valuation as at	
	As at March 31, 2020	As at March 31, 2019
Discount rate(s)	6.83%	7.69%
Rate(s) of salary increase	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Expected Return on Plan Assets	6.83%	7.69%
Mortality rates*(During Employement)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	(17,23,58,831)	(16,00,28,644)
Fair value of plan assets	12,38,10,453	11,41,40,018
Funded status	(4,85,48,378)	(4,58,88,626)
Restrictions on asset recognised		
Net liability arising from defined benefit obligation	**(4,85,48,378)**	**(4,58,88,626)**

Net Interest Cost for Current Period are as follows.

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of Benefit Obligation at the Period	16,00,28,644	13,28,84,355
Fair value of plan assets at the Beginning of the Period	(11,41,40,018)	(10,92,06,904)
Net Liability/(Assets) at the Beginning	**4,58,88,626**	**2,36,77,451**
Interest Cost	1,23,06,203	1,04,71,287
(Interest Income)	(87,77,367)	(86,05,504)
Net Interest Cost for Current Period	**35,28,836**	**18,65,783**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Cost	49,02,551	46,47,077
Net Interest Cost	35,28,836	18,65,783
Past Service Cost	-	-
Expenses Recognized	**84,31,387**	**65,12,860**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Acturial (Gains)/Losses on Obligation For the Period	1,45,88,283	2,29,61,154
Return on Plan Assets, Excluding Interest Income	6,87,179	2,67,867
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**1,52,75,462**	**2,32,29,021**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	16,00,28,644	13,28,84,355
Interest cost	1,23,06,203	1,04,71,287
Current service cost	49,02,551	46,47,077
Past Service Cost	-	-
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	78,77,679	16,16,043
Actuarial gains and losses arising from experience adjustments	67,10,604	2,13,45,111
Benefits paid from the Fund	(1,94,66,850)	(1,09,35,229)
Closing defined benefit obligation	**17,23,58,831**	**16,00,28,644**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	11,41,40,018	10,92,06,904
Interest income	87,77,367	86,05,504
Return on plan assets (excluding amounts included in net interest expense)	(6,87,179)	(2,67,867)
Contributions from the employer	2,10,47,097	75,30,706
Benefits paid from the Fund	(1,94,66,850)	(1,09,35,229)
Closing fair value of plan assets	**12,38,10,453**	**11,41,40,018**

Balance Sheet Reconciliation

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Net Liability	4,58,88,626	2,36,77,451
Expenses Recognized in Statement of Profit or Loss	84,31,387	65,12,860
Expenses Recognized in OCI	1,52,75,462	2,32,29,021
Net Liability/(Asset) Transfer In		
Net Liability/(Asset) Transfer Out		
Net Effect of Changes in Foreign Exchange Rates		
(Benefit Paid Directly by the Employer)	(2,10,47,097)	(75,30,706)
Net Liability/(Asset) Recognized in the Balance Sheet	**4,85,48,378**	**4,58,88,626**

Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

Category of Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Insurance Fund	12,38,10,453	11,41,40,018
Net Liability/(Asset) Recognized in the Balance Sheet	**12,38,10,453**	**11,41,40,018**

Other Details

Particulars	As at March 31, 2020	As at March 31, 2019
No of Active Members	254	261
Per Month Salary For Active Members	1,56,87,345	1,50,55,820
Weighted Average Duration of the Projected Benefit Obligation	7	7
Average Expected Future Service	12	12
Projected Benefit Obligation (PBO)	17,23,58,831	16,00,28,644
Prescribed Contribution for Next Year (12 Months)	1,56,87,345	1,50,55,820

Net Interest Cost for Next Year are as follows.

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of Benefit Obligation at the End of the Period	17,23,58,831	16,00,28,644
Fair value of plan assets at the End of the Period	(12,38,10,453)	(11,41,40,018)
Net Liability/(Assets) at the End of the Period	4,85,48,378	4,58,88,626
Interest Cost	1,17,72,108	1,23,06,203
(Interest Income)	(84,56,254)	(87,77,367)
Net Interest Cost for Next Period	33,15,854	35,28,836

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

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Cost	53,83,331	49,02,551
Net Interest Cost	33,15,854	35,28,836
Expenses Recognized	**86,99,185**	**84,31,387**

Maturity Analysis of Projected Benefit Obligation: From the Fund.

Particulars	As at March 31, 2020	As at March 31, 2019
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2,08,59,789	2,16,36,369
2nd Following Year	1,18,09,739	1,55,33,410
3rd Following Year	2,69,67,660	1,41,18,809
4th Following Year	1,80,74,254	2,42,72,584
5th Following Year	2,20,15,249	1,65,29,289
Sum of Years 6 To 10	7,62,51,063	8,13,78,229
Sum of Years 11 and above	10,34,27,225	9,96,39,642

Sensitivity Analysis

Particulars	As at March 31, 2020	As at March 31, 2019
Projected Benefits Obligation on Current Assumptions	17,23,58,831	16,00,28,644
Delta Effect of +1% Change in Rate of Discounting	(90,89,299)	(81,40,368)
Delta Effect of -1% Change in Rate of Discounting	1,02,11,845	91,02,073
Delta Effect of +1% Change in Rate of Salary Increase	64,21,458	64,66,597
Delta Effect of -1% Change in Rate of Salary Increase	(66,79,034)	(64,75,861)
Delta Effect of +1% Change in Rate of Employee Turnover	12,03,807	14,96,610
Delta Effect of -1% Change in Rate of Employee Turnover	(13,18,515)	(16,36,657)

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(All amounts in ₹ , unless otherwise stated)

33. Financial Instruments

33.1 Capital management

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

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

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

33.2 Categories of financial Instruments and Fair Values

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:	**1,87,82,86,906**	**1,87,85,04,395**	**2,93,95,11,289**	**2,94,01,47,203**
Non Current				
Trade receivables*	3,05,23,325	3,07,31,799	4,76,24,432	4,82,48,593
Other Financial Assets	69,34,319	69,43,334	66,50,155	66,61,908
Current				
Trade receivables	1,79,64,29,314	1,79,64,29,314	2,78,53,41,750	2,78,53,41,750
Cash and cash equivalents	12,54,293	12,54,293	5,70,72,647	5,70,72,647
Other financial assets	4,31,45,655	4,31,45,655	4,28,22,305	4,28,22,305
Financial liabilities				
Financial liabilities held at amortised cost:	**1,40,37,89,116**	**1,40,37,89,116**	**1,93,87,38,996**	**1,93,87,38,996**
Non Current				
Trade Payables	39,37,203	39,37,203	-	-
Borrowings	60,53,258	60,53,258	1,83,97,216	1,83,97,216
Current				
Trade Payables	1,35,21,33,371	1,35,21,33,371	1,88,21,72,161	1,88,21,72,161
Others financial liabilities	4,16,65,284	4,16,65,284	3,81,69,619	3,81,69,619

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

B.) FAIR VALUE HIERARCHY

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

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

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Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

33.3 Financial risk management objectives

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

Risk Management aims to ensure timely and prudent decisions to:
- Maximise positive impacts of opportunities.
- Minimise negative impacts of risks.
- Convert risks into opportunities.

A.) Market risk management

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note A(i) below) and interest rates (see note A(ii) below).
There has been no change to the company's exposure to market risks or the manner in which these risks are managed and measured.

A.)(i) Foreign currency risk management

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

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar

As at 31st March, 2020, the foreign currency exposure to the Company on holding financial liabilities (trade payables) amounted to Rs. 233.76 Lakhs (March 31, 2019: Rs. 378.72 Lakhs).

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

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional Rs. 49.62 Lakhs gain in the Statement of Profit and Loss (2018-19: Rs. 113.37 Lakhs gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

A.)(ii) Interest rate risk management

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding term loan of Rs 187.19 Lakhs (March 31, 2019: Rs 311.61 Lakhs) and Cash Credit / Overdraft of Rs. 974.59 Lakhs (March 31, 2019: Rs Nil) . Outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

B.) Credit risk management

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

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

The Company's maximum exposure to credit risk as at 31st March, 2020 & 31st March, 2019 is the carrying value of each class of financial assets.

The company is making provisions on trade receivables based on Simplified Approach of Expected Credit Loss (ECL) model.The Company had followed the practice of creating the provision for doubtful debts @5% for outstanding of more than 3 years and upto 4 years, @ 10% for outstanding of more than 4 years and upto 5 years and 15% for outstanding of more than 5 years upto 31.03.2019. However, looking to the slow realization, old realizable outstanding has increased substantially as compared to previous year figures. Majority of the overdue debtors belongs to Govt. /Govt. Agencies/Govt. Nodal Agencies and Milk Cooperative societies. After observing past trend it is concluded that amount is realizable but looking to the pendency of the amount since long the Company has decided to make provision for doubtful debts @ 10% for outstanding of more than 3 years and upto 4 years, @20% for outstanding of more than 4 years and upto 5 years and @ 30% for for outstanding of more than 5 years thereby totaling to Rs. 13,54,25,193/-. The above principle is based on the assumptions of prudence; consistency in recovery of debtors as per past trends where recovery has been delayed but debts has always remained good.

Particulars	2019-20	2018-19
Opening Balance	4,46,33,054	1,88,09,137
Changes in loss allowance:		
Bad Debts	-	(6,56,594)
Additional Provision	9,07,92,139	2,64,80,511
Closing Balance	13,54,25,193	4,46,33,054

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(All amounts in ₹ , unless otherwise stated)

C.) Liquidity risk management

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

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

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

Particulars	Carrying Amount	Payable within 1 year	1-2 years	More than 2 years	Total
As at March 31 , 2020					
Trade Payables*	1,35,60,70,574	1,35,21,33,371	39,37,203	-	1,35,60,70,574
Borrowings	10,35,12,605	9,74,59,347	60,53,258	-	10,35,12,605
Other financial Liabilities	4,16,65,284	4,16,65,284	-	-	4,16,65,284
Total	**1,50,12,48,463**	**1,49,12,58,002**	**99,90,461**	**-**	**1,50,12,48,463**
As at March 31 , 2019					
Trade Payables*	1,88,21,72,161	1,88,21,72,161	-		1,88,21,72,161
Borrowings	1,83,97,216	-	1,25,00,000	58,97,216	1,83,97,216
Other financial Liabilities	3,81,69,619	3,81,69,619			3,81,69,619
Total	**1,93,87,38,996**	**1,92,03,41,780**	**1,25,00,000**	**58,97,216**	**1,93,87,38,996**

* Trade Payable includes Rs. 90,74,41,370/- as at March 31, 2020 (Rs. 1,00,05,91,644/- as at March 31, 2019) which is payable to the contractor only when the payment is received from customer.

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RAJASTHAN ELECTRONICS & INSTRUMENTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

34. Related Party Disclosures

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

As at March 31, 2020

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

As at March 31, 2019

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

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Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

Related Party Disclosures (contd.)

34 (b) Transactions/ balances with above mentioned related parties (mentioned in note 36(a) above)

As at Mar 31,2020

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

As at Mar 31,2019

Particulars	Government of India	RIICO Ltd.	Shri AK Jain	Shri Subhash Agrawal	Shri Amit Kumar Jain	Total
Balance						
Trade Receivable	-	1,05,000	-	-	-	**1,05,000**
Security Deposit	-	40,470	-	-	-	**40,470**
Transactions						
Remuneration	-	-	49,35,355	32,66,533	11,17,819	**93,19,707**
Dividend Paid	1,24,95,000	1,20,05,000	-	-	-	**2,45,00,000**

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Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

35. Segment Reporting (All amounts in ₹ , unless otherwise stated)

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

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

1. Renewable Energy
2. Electronic

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

(I) Primary - Business Segments:

(Rs. In Lakhs)

	Renewable Energy		*Electronic*		*Total*	
Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Revenue						
External (Net of ED)	4,771.93	15,603.41	6,319.37	11,327.92	11,091.30	26,931.33
Inter-Segment	-	-	-	-		
Segment Revenue	**4,771.93**	**15,603.41**	**6,319.37**	**11,327.92**	**11,091.30**	**26,931.33**
Total Revenue						
Segment results	**-1,975.57**	**388.08**	**-942.61**	**988.82**	**-2,918.18**	**1,376.90**
Interest income					113.46	167.04
Interest expenditure					132.04	108.07
Tax Expense					-1,230.13	407.97
Net Profit / (Loss)					**-1,706.63**	**1,027.90**
Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
Segment assets	**15,856.49**	**20,197.19**	**9,338.33**	**13,782.08**	**25,194.82**	**33,979.27**
Unallocated Assets					2,257.98	1,198.84
Total assets					27,452.80	35,178.11
Segment liabilities	**8,857.78**	**19,405.75**	**6,882.21**	**4,712.19**	**15,739.99**	**24,117.95**
Unallocated Liabilities					11,712.81	11,060.17
Total liabilities					27,452.80	35,178.11
Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2020**	**Year ended March 31, 2019**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Capital Expenditure for the year	380.71	289.73	208.74	307.43	589.45	597.16
Depreciation for the year	151.25	145.16	32.02	42.97	183.27	188.13

(II) Secondary - Geographical Segments: **(Rs. In Lakhs)**

Particulars	**India**		**Outside India**	
	Year ended March 31, 2020	**Year ended March 31, 2019**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Revenue	11,083.89	26,927.30	7.41	4.03
Carrying Amount of Segment Assets	25,194.82	33,979.27	-	-
Capital Expenditure/ Additions to Fixed Assets	589.45	597.16	-	-

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Rajasthan Electronics & Instruments Limited

Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

36. Other notes annexed to and forming parts of the accounts for the year ended March 31, 2020

A. CIF value of imports

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Raw material & Components	7,73,16,301.00	22,07,58,383
Plant & Machinery	1,66,22,234.00	-

B. Expenditure in foreign currency

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Foreign Travelling	4,39,271.00	-
Royalty	59,59,479.00	64,27,949

C. Earning in foreign exchange on FOB value

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Export Sales	7,41,085.00	4,03,448
Others-misc. income	3,50,341.00	42,328

D.(I) Corporate Social Responsibility (2019-20)

-Gross amount required to be spent by the Company during the year- Rs 29,48,000 /-

-Amount spent during the year;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction/Acquisition of any asset	-	-	-
On purpose other than above	30,35,744	-	30,35,744

D.(II) Corporate Social Responsibility (2018-19)

-Gross amount required to be spent by the Company during the year- Rs 33,43,000/-

-Amount spent during the year;

Nature of Work	In cash	Yet to be paid in cash	Total
Construction/Acquisition of any asset	-	-	-
On purpose other than above	29,25,243	-	29,25,243

E. Expenditure on Research and Development

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue	3,03,14,372	3,52,07,512
Capital	22,000	3,84,375
Total	3,03,36,372	3,55,91,887

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Rajasthan Electronics & Instruments Limited
Notes forming part of the Financial Statements for the year ended March 31, 2020 (Contd.)

(All amounts in ₹ , unless otherwise stated)

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

(Rs. in Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
i) The Principal amount remaining unpaid to supplier as at the end of accounting year.*	3,265.87	4,300.18
ii) The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-	-
iii) The amount of interest paid in terms of section 16, alongwith the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
v) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-
Total	3,265.87	4,300.18

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

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

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

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

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

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

J. Impairment
No Impairment loss has been recognized during the year, since there was no indication of Impairment of any asset/CGU according to procedures/guidelines given under the Ind AS-36 "Impairment of Assets".

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

As per our report of even date attached
For & on behalf of **R.K. Malpani & Associates**
Chartered Accountants
FRN 002759C

R.K. MALPANI & ASSOCIATES JAIPUR Chartered Accountants

Rakesh Jhalani
Partner
Membership No. 074142
Place: Jaipur
Date: 16th. SEPT. 2020
UDIN: 20074142AAAABW3739

For and on behalf of the Board

(Ashok Pathak)
Director

(Rakesh Chopra)
Managing Director

(Amit Kumar Jain)
Company Secretary

(Subhash Agrawal)
Chief Financial Officer