

# ANNUAL REPORT

April 2021 - September 2021



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C&S ELECTRIC LTD.

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### BOARD OF DIRECTORS

Sunil Mathur

Chairman

Prakash Kumar Chandraker

Managing Director & Chief Executive Officer

Mehernosh Kapadia

Independent Director

Rumjhum Chatterjee

Independent Director

Andreas Matthé

Non-executive Director

Siddharth Kasera

Non-executive Director

### BANKERS

State Bank of India

Standard Chartered Bank

IDBI Bank

YES Bank

HDFC Bank

IndusInd Bank

### COMPANY SECRETARY

Anup Sobti

### CFO

Manav Adlakha

### STATUTORY AUDITORS

M/s. BSR & Co. LLP

**NOTICE**

**NOTICE** is hereby given that the 51<sup>st</sup> Annual General Meeting (“**AGM**”) of the Members of **C&S Electric Limited** will be held through Video Conferencing (“**VC**”) /Other Audio-Visual Means (**OAVM**) on Wednesday, **23<sup>rd</sup> March, 2022**, at **3.00 p.m.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021, together with the Reports of the Directors and the Auditors thereon;
2. To appoint a Director in place of Mr. Siddharth Kasera (DIN: 09086454), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

To consider and if thought fit, to pass the following Resolutions:

3. **To adopt new set of Article of Association in place of existing Articles of Association of the Company**

**As a Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee), the consent of the members of the Company be and is hereby accorded to adopt new set of Article of Association in place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of their powers herein conferred to any officers of the Company.”

#### 4. Revision in remuneration of Mr. Prakash Kumar Chandraker (DIN: 05150366), Managing Director & Chief Executive Officer of the Company.

##### As an Ordinary Resolution

"**RESOLVED THAT** subject to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with Schedule V to the Act and the Rules made there under (including any statutory modifications or amendments or re-enactment thereof for the time being in force), and subject to the approval of the Central Government, if required, consent be and is hereby accorded for revision in the terms of remuneration payable to Mr. Prakash Kumar Chandraker, Managing Director & Chief Executive Officer with effect from 1<sup>st</sup> October, 2021 as follows:

**Tenure:** 01.03.2021 to 28.02.2024

Salary package range: Rs.880,000/- p.m. to Rs.1,500,000/- p.m.

Salary package comprises of Basic Salary and Flexi Pay Basket.

##### I. Salary:

Basic Salary : Rs.443,088/- per month

Increments as may be decided by the Board of Directors / Nomination and Remuneration Committee of Directors from time to time.

##### II. Flexi Pay Basket:

- House Rent Allowance: Rs.177,235/- per month
- Leave Travel Allowance: Rs.36,924/- per month
- Driver Salary Reimbursement: Rs.18,000/- per month
- Fuel & Maintenance Reimbursement: Rs.20,000/- per month
- Special Allowance: Rs.271,527/- per month

##### III. Perquisites / Benefits:

In addition to the above, he shall also be entitled to following Perquisites and Benefits, which shall be valued as per the Income Tax Rules, wherever applicable. In the absence of any such Rules, they shall be evaluated at actual cost:

- i) **Hospitalization Expenses:** As per the rules of the Company.

The employee's insurance coverage with Siemens Limited will be maintained till the time Company has an insurance program covering similar risk.

ii) **Leaves** : As per the Rules of the Company.

iii) **Car Scheme**: As per the Rules of the Company.

iv) **Long Service Award**: As per the Rules of the Company.

v) **Communication facility**:

Communication facility i.e. telephone, Internet, Computer and Printer, Fax, Cable connection at residence as per the Rules of the Company. Personal long distance calls will be borne by him.

vi) **Retirement benefits**:

Company's contribution towards Provident Fund, Gratuity and Superannuation Fund – payable as per the rules of the Company.

vii) **Travel**:

As per the Rules of the Company.

#### **IV. Performance Linked Incentive**

He shall also be entitled to remuneration by way of Performance Linked Incentive (PLI) based on the specific goals mutually set and approved by the Board of Directors / Nomination and Remuneration Committee of Directors, from time to time.

The PLI payment will be governed by the Company policy as defined from time to time.

#### **V. Life Coverage:**

The employee's insurance coverage with Siemens Limited will be maintained till the time Company has an insurance program covering similar risk.

#### **VI. Group Personal Accident Insurance Policy (GPA)**

As per the rules of the Company.

The employee's insurance coverage with Siemens Limited will be maintained till the time Company has an insurance program covering similar risk.

#### **VII. Post-Retirement Medical Benefit**

He and his spouse shall continue to be covered under the Post-Retirement Medical Benefit Scheme of Siemens Limited. Upon their retirement from the Company, the Post-Retirement Medical Benefit guideline of Siemens Limited (as applicable on the date of his retirement from the Company) shall prevail in this regard.

#### **VIII. Equity based compensation programs of Siemens AG or Equivalent cash in lieu thereof**

Mr. Prakash Kumar Chandraker shall be eligible for Equity based compensation programs of Siemens AG or equivalent cash in lieu thereof

**IX. Severance fees:** As per Rules of the Company.

#### **Minimum Remuneration**

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Managing Director and Chief Executive Officer of the Company, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by the way of Basic Salary, Flexi Pay Basket, Perquisites, Performance Linked Incentive, benefits under the Equity Based compensation programs of Siemens AG or Cash in lieu thereof and Severance fees, as Minimum Remuneration to him.

**RESOLVED FURTHER THAT** no Sitting Fees shall be paid to Mr. Prakash Kumar Chandraker for attending the Meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** any Member of Nomination and Remuneration Committee and Mr. Rajiv Puri, Head - Human Resources, be and are hereby authorised, acting jointly, by any two of them, to do all such acts, deeds, matters and things and sign and execute necessary agreements, documents, forms as may be required in this regard to give effect to this resolution.”

#### **5. Payment of remuneration to Messrs Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212), the Cost Auditors of the Company for FY 1<sup>st</sup> October, 2021 to 30<sup>th</sup> September, 2022.**

#### **As an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September 2022, be paid a remuneration of Rs. 7,00,000/- (Rupees Seven Lakh only) per annum plus applicable tax and out of pocket expenses that may be incurred during the course of audit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6. Approval of remuneration by way of commission to Independent Directors of the Company****As an Special Resolution:**

To consider and, if thought fit, pass the following resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 197, 198, other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or reenactment thereof for the time being in force), consent of Company be and is hereby accorded to pay remuneration by way of commission to the Independent Directors of the Company, of such sum as the Board of Directors may from time to time determine (to be divided amongst the Independent Directors in such proportion as may be determined by the Board of Directors from time to time and equally in default of such determination) provided that such commission in aggregate shall not exceed, one per cent of the net profits of the Company for each Financial Year as computed in the manner laid down in section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

**By Order of the Board of Directors  
For C&S Electric Limited**

**Anup Sobti**

Company Secretary  
ACS No. 16466

**Registered Office:** 222, Okhla Industrial Estate, Phase 3, New Delhi - 110020

**Corporate Identity Number:** U31909DL1971PLC005672

**Tel.:** +91 11 33849000-09; **Fax:** +91 11 26847342

**Website:** [www.cselectric.co.in](http://www.cselectric.co.in)

**E-mail:** [info@cselectric.co.in](mailto:info@cselectric.co.in)

Thursday, 27<sup>th</sup> January 2022

**Notes:**

- a) The statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, (“the Act”) concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.

- b) In view of the outbreak of COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circulars dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 5<sup>th</sup> May 2020, 28<sup>th</sup> September 2020, 31<sup>st</sup> December 2020 13<sup>th</sup> January 2021, 14<sup>th</sup> December, 2021 issued by the Ministry of Corporate Affairs (“MCA”) (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the above and the relevant provisions of the Companies Act, 2013 ('the Act'), the AGM of the Company is being held through VC / OAVM only. The venue of the meeting shall be deemed to be the Registered Office of the Company.
- c) A Member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Since this AGM is being held through VC / OAVM, as per the framework provided in MCA Circulars, the facility for appointment of proxies by the Members will not be available for this AGM.
- d) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [shiv3009@gmail.com](mailto:shiv3009@gmail.com) or [anup.sobti@cselectric.co.in](mailto:anup.sobti@cselectric.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- e) In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Report of the Company for the Financial Year 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021 and this Notice inter-alia indicating the process and manner of remote e-voting are being sent by e-mail, unless any Member has requested for a physical copy of the same, to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. For Members who have not registered their e-mail ids, physical copies of the aforementioned documents are being sent in the permitted mode.
- f) The Members can receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Members who have not registered their e-mail address with the Company can register the by applying with our RTA Alankit Assignments Limited through their email id [rt@alankit.com](mailto:rt@alankit.com) or at Company's email id [info@cselectric.co.in](mailto:info@cselectric.co.in) by submitting relevant details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and email -ID and provide scan/copy of Share Certificate. The members are requested to register their email IDs, in respect of shares held on dematerialized form with their respective DPs by following procedure as prescribed by them.

- g) The Annual Report for the truncated Financial Year April 2021 to September 2021 along with the Notice of AGM is available on the Company's website <https://cselectric.co.in/investors-relations/> as well as on the website of National Securities Depository Limited ("NSDL") [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- h) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings issued by Institute of Company Secretaries of and the MCA Circulars, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and for this purpose, it has appointed NSDL to facilitate voting through electronic means.
- i) The Cut-off date for determining eligibility of Members for voting on resolutions proposed in the Notice of AGM either through remote e-voting or e-voting at the AGM is Wednesday 16<sup>th</sup> March 2022.
- j) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **16<sup>th</sup> March, 2022**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990 and 1800 22 44 30** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 16<sup>th</sup> March, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- k) The statutory documents and relevant documents referred to in this Notice of AGM and statement setting out material facts, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 23<sup>rd</sup> March 2022. Members seeking to inspect such documents can send an e-mail to [anup.sobti@cselectric.co.in](mailto:anup.sobti@cselectric.co.in).
- l) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- m) The remote e-voting period will commence on **Saturday 19<sup>th</sup> March 2022 (9.00 a.m. IST)** and ends on **Tuesday 22<sup>nd</sup> March 2022 (5.00 p.m. IST)**, both days inclusive. The remote e-voting shall be disabled by NSDL thereafter.

- n) Instructions for attending the AGM through VC / OAVM and remote e-Voting (before and during the AGM) are given below:

**A. Instructions for Members for Attending the AGM Through VC / OAVM**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for AGM and will be available for Members on first come first served basis. The Members will be able to view the live webcast / proceedings on the NSDL's e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members facing any technical issue in login before / during the AGM can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30
7. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [anup.sobti@cselectric.co.in](mailto:anup.sobti@cselectric.co.in) between 13<sup>th</sup> March, 2022 (9.00 a.m. IST) and 19<sup>th</sup> March, 2022 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the live webcast / proceedings on the NSDL's e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**B. Instructions for Remote e-Voting before / during the AGM**

The remote e-voting period begins on 19<sup>th</sup> March, 2022 at 9:00 A.M. and ends on 22<sup>nd</sup> , March, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 16<sup>th</sup> March, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 16<sup>th</sup> March, 2022.

**Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and</li> </ol>

you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “**Register Online for IDeAS Portal**” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company

For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [shiv3009@gmail.com](mailto:shiv3009@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through

the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [anup.sobti@cselectric.co.in](mailto:anup.sobti@cselectric.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [anup.sobti@cselectric.co.in](mailto:anup.sobti@cselectric.co.in) . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

**C. Instructions for Remote e-Voting before / during the AGM**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3

The existing Articles of Association (AoA) of the Company are largely based upon Table F to the Companies Act, 2013 and not serially numbered. Further, the Companies Act, 2013 was notified in tranches and has since then also been amended from time to time. In view of the aforesaid and to bring existing Articles of Association (AoA) of the Company in line with the provisions of the Companies Act, 2013 it is recommended to adopt new set of AoA. Further it is proposed to include a specific clause related to implementation of 'Siemens Internal Regulations' since the Company is subsidiary of Siemens Limited which in turn is a subsidiary of Siemens Aktiengesellschaft, Germany ("Siemens") and it is recognized by the board that implementation of these regulations will facilitate better corporate governance and encourage improved realization of potential synergies.

Considering that the changes to be made in the existing AoA are large in number, it is proposed to adopt a comprehensive new set of AoA in substitution of and to the entire exclusion of the existing AoA. The new set of AoA to be substituted in place of the existing AoA.

As per Section 14 of the Act, read with Companies (Incorporation) Rules, 2014, any alterations proposed to be made in the AoA of the Company requires the approval of the Members by way of Special Resolution

Copy of the draft Articles of Association of the Company would be available for inspection by the members at the Registered Office/ Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM and shall also be available electronically for inspection by the members during the AGM.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

### Item No. 4

Mr. Prakash Kumar Chandraker (DIN: 05150366) was appointed as the Managing Director and Chief Executive Officer of the Company with effect from 1<sup>st</sup> March, 2021 upon recommendation of Nomination and Remuneration Committee (NRC). Further, the Members of the Company approved the appointment and terms and condition of his appointment, including his remuneration, in the 50<sup>th</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2021.

Based upon the performance and contribution of Mr. Prakash Kumar Chandraker as the Managing Director and Chief Executive Officer of the Company, the Nomination and Remuneration Committee in its meeting held on 15<sup>th</sup> November, 2021 approved and recommended to Board payment of revised/increased remuneration to Mr. Prakash Kumar Chandraker with effect from 1<sup>st</sup> October, 2021 as set out in the

resolution placed at Item no. 4 and same was approved by the Board in its meeting held on same day i.e. 15<sup>th</sup> November, 2021.

The Board of Directors is confident that his vast knowledge and varied experience will be of great value to the Company and hence recommends the Ordinary Resolution as set out at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Prakash Kumar Chandraker and his relatives, are interested, financially or otherwise, in Resolution set out at Item Nos. 4 of this Notice.

#### **Item No. 5**

The Board of Directors of the Company in its meeting held on 27<sup>th</sup> January, 2022 , on the recommendation of the Audit Committee, has approved the appointment of Messrs Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September, 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration amounting to Rs. 7,00,000/- (Rupees Seven Lakh only) per annum plus applicable tax and out of pocket expenses that may be incurred by the Cost Auditors for the financial year ending 30<sup>th</sup> September 2022.

The Board accordingly recommends the Ordinary Resolution as set out at Item No. 5 of this Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 5 of this Notice.

#### **Item no. 6**

Pursuant to Section 149(9), an independent director is entitled to receive

- (a) sitting fee for Board/Committee meetings as may be prescribed under second proviso in Section 197(5);
- (b) reimbursement of expenses for attending the Board/Committee meetings;
- (c) profit related commission as may be approved by the members.

Hence the Company may pay profit related commission to the Independent Directors with prior approval of the members.

At present, except for the sitting fees paid to the Independent Directors for attending the meetings of the Board and Committees thereof, the Company does not pay any remuneration to the Independent Directors.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and subject to approval of the members, approved to pay profit linked commission to the Independent Directors of the Company within the permissible limits under the Companies Act, 2013 as mentioned above and subject to such commission in aggregate does not exceed one per cent of the net profits of the Company for each Financial Year.

The Board accordingly recommends the Special Resolution as set out at Item No. 6 of this Notice for approval of the Members.

Mr. Mehernosh B. Kapadia and Ms. Rumjhum Chatterjee being Independent Directors may be deemed to be interested in this resolution. No other directors are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 6 of this Notice.

**By Order of the Board of Directors  
For C&S Electric Limited**

**Anup Sobti**

Company Secretary  
ACS No.16466

**Registered Office:** 222, Okhla Industrial Estate, Phase 3, New Delhi - 110020

**Corporate Identity Number:** U31909DL1971PLC005672

**Tel.:** +91 11 33849000-09; **Fax:** +91 11 26847342

**Website:** [www.cselectric.co.in](http://www.cselectric.co.in)

**E-mail:** [info@cselectric.co.in](mailto:info@cselectric.co.in)

Thursday, 27<sup>th</sup> January 2022

## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 51<sup>st</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 30<sup>th</sup> September, 2021 (Truncated Financial Year 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021).

### 1. Financial Results

Amounts in INR million

Particulars	FY 1 <sup>st</sup> April, 2021 to 30 <sup>th</sup> September, 2021	For the year ended March 31, 2021
<b>Revenue from operations</b>	<b>4,878.55</b>	<b>8,593.24</b>
Profit / (Loss) before depreciation & Taxation	419.54	(484.00)
Less: Depreciation	134.54	325.93
<b>Profit / (Loss) before Taxation</b>	<b>285.01</b>	<b>(809.93)</b>
Current Tax	148.13	91.83
Deferred tax	(47.51)	(244.13)
Total Provision for Tax	100.62	(152.30)
<b>Net Profit / (Loss) after Tax</b>	<b>184.39</b>	<b>(657.63)</b>

### 2. State of the Company's affairs

#### i. Financial Performance

- The revenue from operations for FY 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021 stands at Rs. 4878.55 million (Previous Year revenue from continued operations was Rs. 8,593.24 million).
- Pre-tax profit from operations for FY 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021 is Rs. 285.01 million (Previous Year loss before tax worked out to Rs. 809.93 million).
- Post-tax profit from operations for FY 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021 is Rs. 184.39 million (Previous Year loss after tax from continued operations of Rs. 657.63 million)

## ii. Change in Financial Year

In June 2021, the Company had applied with the Ministry of Corporate Affairs (MCA) for changing its Financial Year from “1<sup>st</sup> April – 31<sup>st</sup> March” to “1<sup>st</sup> October – 30<sup>th</sup> September”, to align with the Financial Year of Siemens Limited, holding company of the Company. The Company has received approval from MCA vide its order No. 2 (41)/91/T22530760/2021/8523-8524 dated 29<sup>th</sup> October, 2021 approving adoption of financial year 1<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021 (6 months) and the subsequent financial years of the Company from 1<sup>st</sup> October and shall end on 30<sup>th</sup> September every year.

## iii. COVID-19 update

The performance of the Company was impacted due to COVID-19 pandemic, which caused disruption in supply chain, capacity underutilization, logistics issues arising out of COVID-19.

## iv. Outlook

The Company continues to maintain a healthy order book as on 30<sup>th</sup> September, 2021. Our focus market segments of Data Centre, Oil and gas, retail, infrastructure, are showing revival trends and the Company is well positioned to capitalize on the opportunities. The operations might be affected due to Covid third wave.

## 3. Dividend and transfer to reserves

Keeping in view the financial results and the fact that they are for the truncated Financial Year of six months, the Board does not recommend any dividend for the Financial year ended 30<sup>th</sup> September, 2021.

The Company has made no transfer to reserves during FY 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021.

## 4. Share Capital

During the year under review, there was no change in share capital of the Company.

## 5. Report on Performance and financial performance of each Subsidiary / Joint Venture / Associate Companies

The Company does not have any Subsidiary/Joint Venture or Associate Companies for the year under review.

## 6. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in **Annexure I** forming part of this Report.

## 7. Directors and Key Managerial Personnel

### a) Directors

During the year under review, the Members had in the Annual General Meeting held on 23<sup>rd</sup> September, 2021 approved the appointment of following additional Directors as Directors

Sr. No.	Name of Director	Designation	Date of appointment/Tenure	DIN
1	Mr. Sunil Mathur	Director (Non-Executive Non-Independent Director)	01/03/2021	02261944
2	Mr. Andreas Matthe		01/03/2021	09086495
3	Mr. Siddharth Kasera		01/03/2021	09086454
4	Mr. Mehernosh B. Kapadia	Director (Independent Director)	1st March, 2021 to 1st May, 2023	00046612
5	Ms. Rumjhum Chatterjee		30/07/2021 to 30 July, 2026	00283824
6	Mr. Prakash Kumar Chandraker	Director (Managing Director and Chief Executive Officer)	01/03/2021	05150366

The Board of Directors is of opinion that the Independent Directors possess necessary expertise, integrity and experience.

#### b) Retirement by Rotation

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Mr. Siddharth Kasera (DIN: 09086454), will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment in accordance with provisions of the Act. The Board Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended his re-appointment.

#### c) Declaration by Independent Directors

The Independent Directors of the Company viz. Mr. Mehernosh B. Kapadia (DIN: 00046612) and Ms. Rumjhum Chatterjee (DIN: 00283824) have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act and that their names have been included in the data bank of Independent Directors as prescribed under the Act.

#### d) Key Managerial Personnel

Mr. Prakash Kumar Chandraker, Managing Director and Chief Executive Officer (DIN: 05150366) Mr. Manav Adlakha, Chief Financial Officer and Mr. Anup Sobti, Company Secretary (ACS 16466) are the Key Managerial Personnel of the Company as on the date of this Report.

#### e) Annual evaluation of Board, its Committees and individual Directors

Considering the Performance Evaluation Guidelines which were formulated by the Nomination and Remuneration Committee (NRC), the Board and NRC approved the framework for evaluating the performance, on an annual basis, of the Board, its Committees and each director including the Chairman of the Board of Directors. The Board of Directors / Independent Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including Independent Directors and the Chairman of the Board of Directors based on

various parameters relating to attendance, roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. The results of such evaluation are presented to the Board of Directors.

## 8. Board Meetings

During the truncated Financial year i.e. from 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021, under review meeting of Board of Directors have been held on 05.05.2021, 30.07.2021 and 26.08.2021

## 9. Audit Committee

The Company has an Audit Committee pursuant to the requirements of the Act read with the rules framed thereunder.

The Composition of Audit Committee is as under:

Sr. No.	Name	Designation
1	Mr. Mehernosh B. Kapadia	Independent Director/Chairman of Audit Committee
2	Ms. Anjali Bansal <sup>1</sup>	Independent Director
3	Mr. Siddharth Kasera <sup>2</sup>	Non-Executive Non-Independent Director
4	Ms. Rumjhum Chatterjee <sup>3</sup>	Independent Director

Notes:

1. Ceased to be Member of the Audit Committee with effect from 30<sup>th</sup> July 2021.
2. Appointed as Member of Audit Committee with effect from 1<sup>st</sup> April, 2021.
3. Appointed as Member of Audit Committee with effect from 30<sup>th</sup> July, 2021.

During the truncated Financial year i.e. from 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021, under review meetings of Audit Committee were held on 05.05.2021, 30.07.2021 and 26.08.2021.

## 10. Corporate Social Responsibility

Your Company has always been undertaking CSR activities upholding the belief that corporates have a special and continuing responsibility towards social development. The vision of Company's CSR activities, to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods, has been formally codified with the constitution of a dedicated Corporate Social Responsibility Committee of the Board pursuant to provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder.

Further, the Board of Directors of your Company has also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee.

The Annual Report on CSR as per Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed herewith as **Annexure II** to this Report in the prescribed format.

## 11. Remuneration Policy

On recommendation of Nomination and Remuneration Committee ("NRC"), the Company has formulated, amongst others, a policy on Directors' appointment as well as Remuneration Policy for

Directors, Key Managerial Personnel, Senior Management and other employees. The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (other than Managing / Whole-time Directors), Key-Executives and Senior Management and the Remuneration of other Employees. The Policy is placed on the Company’s website at <https://cselectric.co.in/investors-relations>

## **12. Material changes and commitment, if any, affecting financial position of the Company from financial year end and till the date of this report**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

## **13. Risk Management Policy**

Your Company understands controlling risks through a formal programme is necessary for the well-being of the Company. To this end, the Board has formulated Risk Management Policy to identify the risks impacting the business and formulate strategies/ policies aimed at risk mitigation as part of risk management.

The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives.

## **14. Vigil Mechanism**

As per the provisions of Section 177(9) of the Act, the Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (“the Whistleblower Policy”) in place. The Company has disclosed information about the establishment of the Whistleblower Policy on its website <https://cselectric.co.in/investors-relations/>

## **15. Directors’ Responsibility Statement**

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Directors confirm that, to the best of their knowledge and belief:

- a) that in the preparation of the Annual Financial Statements for the truncated Financial year ended 30<sup>th</sup> September, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30<sup>th</sup> September, 2021 and of the Profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual Financial Statements have been prepared on a going concern basis;

- e) that proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

## 16. Annual Return

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company is hosted on website of the Company at <https://cselectric.co.in/investors-relations/>.

## 17. Particulars of contracts or arrangements with Related Parties

The particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Act, in the prescribed Form AOC - 2, forms part of this report as **Annexure III**.

## 18. Particulars of Loans, Guarantees or Investments

A statement providing particulars of loans, guarantees or investments under Section 186 of the Act is provided as **Annexure IV** forming part of this Report.

## 19. Fixed Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 20. Employees

Your Directors place on record their deep appreciation for the contribution made by the employees of the Company at all levels.

The information on employees' particulars as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of the Report. In terms of Section 136 of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding aforesaid Annexure. The said information is available for inspection by the Members as per the details mentioned in notice of the 51<sup>st</sup> AGM. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

## 21. Policy on Prevention of Sexual Harassment at Workplace

The Company has Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder and Internal Complaints Committee's have also been set up to redress complaints received regarding sexual harassment.

During the year, no complaint with allegations of sexual harassment was received by the Company.

## 22. Internal Financial Controls

The Company has a proper and adequate system of internal financial controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The internal control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

## 23. Auditors

- i. The Report issued by Messrs. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022), Statutory Auditor for FY 1<sup>st</sup> April, 2021 to 30<sup>th</sup> September, 2021 does not contain any qualification, reservation, adverse remark or disclaimer.
- ii. The Board of Directors, on recommendation of the Audit Committee, has re-appointed Messrs. M/s. Sanjay Gupta & Associates, Cost Accountants, (Firm Registration No. 000212), as Cost Auditor of the Company, for the Financial Year ending 30<sup>th</sup> September 2022 (, at a remuneration as mentioned in the Notice convening the 51<sup>st</sup> AGM and same is recommended for your consideration and ratification.
- iii. As per requirements of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records has been maintained in respect of the applicable products for the Truncated Financial year ended 30<sup>th</sup> September, 2021.
- iv. Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report for Truncated Financial year ended 30<sup>th</sup> September, 2021 issued by Secretarial Auditor i.e., Mr. Shiv Kumar Gupta, Practicing Company Secretary is provided as **Annexure V** to this Report. The Secretarial Audit Report for Truncated Financial year ended 30<sup>th</sup> September, 2021 does not contain any qualification, reservation, adverse remark or disclaimer.
- v. There have been no instances of fraud reported by abovementioned Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2020-21.

## 24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

No such orders have been passed against the Company.

## 25. Acknowledgements

The Board of Directors takes this opportunity to thank Siemens Limited – parent company, employees, customers, members, suppliers, bankers, business partners / associates and Central and State Governments for their consistent support and co-operation to the Company.

**On behalf of the Board of Directors**

**For C&S Electric Limited**

**Prakash Kumar Chandraker**  
Managing Director and Chief Executive Director  
DIN: 05150366  
Date: 27<sup>th</sup> January, 2022

**Siddharth Kasera**  
Director  
DIN: 09086454

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

(Pursuant to provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

**A. Conservation of Energy****I. Steps taken or impact on conservation of energy:**

- Servo based moulding and press machines installed for energy conservation
- CFL replaced with energy efficient LED Lights
- Single control switch implemented to club all supply of assembly & finishing line impacting conveyers/fans/lights
- Power off for AC/fan/lights at lunch timings
- Variable speed Compressor installed for power saving
- Installation on PNG line to replace consumption of Diesel in paint & powder coating plants (Planned at BT Plant at Haridwar)

**II. Steps taken by the Company for utilizing alternate sources of energy:**

- Started using solar energy for genset battery charging
- Solar street lights installed

**III. Capital investment on energy conservation equipments:**

The Company made capital investments amounting to Rs. 58.98 million on energy conservation equipment in FY April-Sep 2022.

**B. Technology Absorption****I. Efforts made towards technology absorption:**

- Laser marking and VMS installed;
- Laser machine installed for Sheet metal processing;
- Special purpose machines installed in MCB plant for better yield and quality;
- Development of crimping flexible braids with fixed bus bar of ACBs which eliminates energy intensive brazing operations;
- CreO simulation software installed for static analysis;
- PLM (Teamcentre) adopted for better control on Development, Engineering change management and BOM control;
- Wide band coil operated Electronic Module with PWM technology for various range of contactors;
- Ultrasonic welding technology used for TA8DN Side Add block.
- Development of Track Busway for data center application for at Busbar Division.
- Development of off load Isolators for MV Cubicles
- Development of Smart Busway system for Health (Temperature) monitoring for BBT system
- Successful Testing of RoHs & REACH compliance

**II. Benefits derived as a result of the above efforts:**

- Improvement in quality of components for switchgear items;
- Improvement in productivity.

### III. Imported Technology:

Details of Technology Imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons there for
Closed door technology from IDS Germany	FY 18-19, 19-20 and 20-21	Yes	Not Applicable

### IV. Expenditure incurred on Research and Development:

(Rs. in million)

Revenue nature:	58.98
Capital nature:	-
<b>Total expenditure:</b>	<b>58.98</b>

### C. Foreign exchange earnings and outgo

Foreign exchange earnings and outgo during Financial Year 2020-21:

(Rs. in million)

Foreign Exchange earned in terms of actual inflows	1,074.40
Foreign Exchange outgo in terms of actual outflows	318.62

**On behalf of the Board of Directors**

**For C&S Electric Limited**

**Prakash Kumar Chandraker**  
 Managing Director and Chief Executive Director  
 DIN: 05150366

**Siddharth Kasera**  
 Director  
 DIN: 09086454

Date: 27<sup>th</sup> January, 2022

## Annexure II

## Corporate Social Responsibility (CSR) Report 2020-21

## 1. Brief outline on CSR Policy of the Company.

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors, in order to help and aid the schools, support education and healthcare, upon recommendation of CSR Committee as per CSR Policy of the Company. In accordance with the primary CSR philosophy of the Company and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain areas such as Children education and nutrition area, employment enhancing and vocational skills, children welfare, natural calamity and environmental sustainability.

## 2. Composition of CSR Committee:

The Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Anjali Bansal#	Chairperson (Independent Director)	-	-
2	Ms. Rumjhum Chatterjee^	Chairperson (Independent Director)	1	1
3	Mr. Sunil Mathur	Member (Non-executive Director)	1	1
4	Mr. Prakash Kumar Chandraker	Member (Managing Director and Chief Executive Officer)	1	1

# Ms. Anjali Bansal, Chairperson of the CSR Committee for the period 1<sup>st</sup> March, 2021 to 30<sup>th</sup> July, 2021.

^ Ms. Rumjhum Chatterjee, appointed as Chairperson of the CSR Committee with effect from 30<sup>th</sup> July, 2021.

- The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. <https://cselectric.co.in/investors-relations>.
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

Rs. (In Million)

6. Average net profit of the Company as per Section 135(5): 530.60
7. (a) Two percent of average net profit of the company as per Section 135(5): 10.60
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: -
- (c) Amount required to be set off for the financial year, if any: -
- Total CSR obligation for the financial year (7a+7b-7c) 10.60
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs. Million)	Amount Unspent (in Rs. Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
10.60	NIL	NIL	Nil	Nil	N.A

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Loal Area (Yes/No)	State	District	Project duration	Amount allocated for the Project (In Rs. Million)	Amount Spend in the current Financial Year (in Rs. Million)	Amount transferred to Unspent CSR account for the project as per Section 135 (6) in Rs. Million	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration no.
1	Supply of Oxygen ventilators, for countering COVID-19	(i) and (xii) of Schedule VII	Yes	Uttar Pradesh	Noida/ Greater Noida	3 years	6.61	6.61	Nil	Yes	-	-
2	Supply of Oxygen ventilators, for countering	(i) and (xii) of Schedule VII	No	Uttarakhand	Roorkey	3 years	3.31	3.31	Nil	Yes	-	-

3	COVID-19 Response	(i) and (xii) of Schedule VII	No	West Bengal	Kolkata	3 years	0.15	0.15	Nil	No	Action Aid	Reg. No. CSR0000955
Administration expenses restricted to 5% of CSR Expenditure							0.58	0.58	-	-	-	-
<b>Total</b>							<b>10.65</b>	<b>10.65</b>	Nil	-	-	-

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent in the current financial Year (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number.
Not applicable									

- (d) Amount spent in Administrative Overheads NIL
- (e) Amount spent on Impact Assessment, if applicable Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) Rs. 10.6 Million
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs. Million)
(i)	Two percent of average net profit of the company as per Section 135(5)	10.60
(ii)	Total amount spent for the Financial Year	10.60
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial	Amount transferred to Unspent CSR	Amount spent in the reporting	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in

1 Year.	Account under section 135 (6)(in Rs.)	Financial Year(in Rs.).	Name of the Fund	Amount (in Rs Million).	Date of transfer.	succeeding financial years. (in Rs.)
Not Applicable						

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): Not Applicable.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration .	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NIL**

- Date of creation or acquisition of the capital asset(s):
- Amount of CSR spent for creation or acquisition of capital asset:
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reasons, in case, the Company has failed to spend two per cent of the average net profit as per Section 135(5):

Not Applicable.

**On behalf of the Board of Directors**

**For C&S Electric Limited**

**Rumjhum Chatterjee**  
Chairperson of CSR Committee  
DIN: 00283824

**Prakash Kumar Chandraker**  
Managing Director and Chief Executive Officer  
DIN: 05150366

Date: 27<sup>th</sup> January, 2022

## Annexure III

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangements or transactions at arm's length basis:

(Rs. in Million)

Sl No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangement s/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
<p>No Material contracts or arrangements  Material shall mean a transaction with a related party shall be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the company</p>						

On behalf of the Board of Directors

For C&S Electric Limited

**Prakash Kumar Chandraker**  
Managing Director and Chief Executive Director  
DIN: 05150366

**Siddharth Kasera**  
Director  
DIN: 09086454

Date: 27<sup>th</sup> January, 2022

## Annexure IV

### Particulars of Loans, Guarantees or Investments

Pursuant to Section 186(4) read with Section 134(3)(g) of the Act

(Rs. in million)

Sr. No.	Nature of transaction (loans given / investments made / guarantees given / security provided)	Purpose for which loan / guarantees / security is proposed to be utilised by the recipient	As at 30.09.2021	As at 31.03.2021	Maximum outstanding during the year
NIL					

On behalf of the Board of Directors

For C&S Electric Limited

**Prakash Kumar Chandraker**  
 Managing Director and Chief Executive Director  
 DIN: 05150366

**Siddharth Kasera**  
 Director  
 DIN: 09086454

Date: 27<sup>th</sup> January, 2022

Form No. MR-3  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
**C&S ELECTRIC LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **C&S ELECTRIC LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **C&S ELECTRIC LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on **30<sup>th</sup> September, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **30<sup>th</sup> September, 2021**, according to the provisions of the following Acts, to the extent of their applicability, on the Company:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made hereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable, since the Company is an unlisted company.**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable, since the Company is an unlisted company.**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable, since the Company is an unlisted company.**

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable, since the Company is an unlisted company.**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable as the Company has not issued and listed any debt securities.**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable, since the Company is an unlisted company.**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable, since the Company is an unlisted company.**
- and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable, since the Company is an unlisted company.**
- vi. Other Laws-
- (i) Indian Factories Act, 1948 and Rules,
  - (ii) The Minimum Wages Act, 1948,
  - (iii) The Payment Of Wages Act, 1936,
  - (iv) The Payment Of Bonus Act, 1965,
  - (v) The Payment Of Gratuity Act, 1972,
  - (vi) Workmen Compensation Act, 1923,
  - (vii) The Employees State Insurance Act, 1948,
  - (viii) The Employee Provident Fund And Miscellaneous Provision Act, 1952,
  - (ix) Industrial Disputes Act, 1947,
  - (x) Equal Remuneration Act, 1976,
  - (xi) Contract Labour (Regulation And Abolition) Act, 1970,
  - (xii) The Trade Union Act, 1926,
  - (xiii) The Maternity Benefits Act, 1961,
  - (xiv) The Child Labour (Prohibition and Regulation) Act, 1986,
  - (xv) The Employees' State Insurance Act, 1948,
  - (xvi) Shops and Establishment Act,
  - (xvii) The Weekly Holidays Act, 1942,

- (xviii) Industrial Employment (Standing Orders) Act, 1946,
- (xix) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013,
- (xx) The Water (Prevention and Control of Pollution) Act, 1974 and Rules,
- (xxi) The Water (Prevention and Control of Pollution) Cess Act, 1977 and Rules,
- (xxii) The Air (Prevention and Control of Pollution) Act, 1981 and Rules,
- (xxiii) The Environment (Protection) Act, 1986 and Rules,
- (xxiv) Hazardous Wastes (Management and Handling) Rules, 1989,
- (xxv) The Public Liability Insurance Act, 1991 and Rules,

I have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the company with ....Stock Exchanges, if applicable;  
**Not Applicable, since the Company is an unlisted company.**

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following are the details of Directors of the Company as on 30<sup>th</sup> September, 2021.

- Mr. Sunil Mathur (DIN: 02261944), Director (Chairman)
- Mr. Andreas Matthe (DIN: 09086495), Director
- Mr. Siddharth Kasera (DIN: 09086454), Director
- Mr. Mehernosh B. Kapadia (DIN: 00046612), Independent Director
- Ms. Rumjhum Chatterjee (DIN: 00283824) Independent Director
- Mr. Prakash Kumar Chandraker (DIN: 05150366), Managing Director and Chief Executive Officer

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Shiv Kumar Gupta**  
**Practicing Company Secretary**  
**FCS No.:1633**  
**C P No.: 7343**

Place : New Delhi  
 Date : 18<sup>th</sup> January, 2022  
**UDIN Number:**

This report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

To,  
The Members,  
**C&S ELECTRIC LIMITED**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation and Managing Directors Certificate provided to the Board in each meeting of the Board about statutory compliances and / or compliance of laws, rules and regulations and happening of events etc. and have relied upon the same.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Shiv Kumar Gupta**  
**Practicing Company Secretary**  
**FCS No.: 1633**  
**C P No.: 7343**

Place : New Delhi  
Date : 18<sup>th</sup> January, 2022  
**UDIN Number:**

# BSR & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,  
DLF Cyber City, Phase-II,  
Gurugram – 122 002, India

Telephone: +91 124 719 1000  
Fax: +91 124 235 8613

## INDEPENDENT AUDITORS' REPORT

### To the Members of C&S Electric Limited

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **C&S Electric Limited** (“the Company”), which comprise the balance sheet as at 30 September 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period 1 April 2021 to 30 September 2021 and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“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 30 September 2021, and profit and other comprehensive income, changes in equity and its cash flows for the period 1 April 2021 to 30 September 2021 .

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's and Board of Directors' Responsibility for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors 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 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

**BSR & Co. LLP**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, 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. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

- e) On the basis of the written as on 30 September 2021 taken on record by the Board of Directors, representations received from the directors none of the directors is disqualified as on 30 September 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (B) With respect to the other matters to be included in the Auditors’ 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 as at 30 September 2021 on its financial position in its financial statements - Refer Note 34 to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 36(a) to the financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented that no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on audit procedures performed, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
  - v. The Company has not declared or paid any dividend during the period as per section 123 of the Companies Act, 2013.

**B S R & Co. LLP**

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the period 1 April 2021 to 30 September 2021 is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm's Registration No: 101248W/W- 100022

**Adhir Kapoor**

*Partner*

Membership No.: 098297

UDIN: 22098297AAAAAD7956

Place: New Delhi

Date: 27 January 2022

### **Annexure A to the Independent Auditors' report of even date on the financial statements of C&S Electric Limited**

The Annexure A referred to in our Independent Auditor's Report to the members of C&S Electric Limited on the financial statements for the period ended 30 September 2021, we report that,

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the period. In our opinion, this periodicity of such physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee, and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (i) (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the period.
- (i) (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the period. For stocks lying with third parties at the period-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. As explained to us, no discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

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(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

(amounts in Rs. million)

Quarter	Name of bank	Particulars	Amount as per books of accounts	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
September, 2021	IDBI/SBI/SCB	Trade Receivables	2,426.97	2,441.66	(14.69)	Yes
		Inventories	1,986.48	1,914.11	72.37	Yes
		Trade Payables	2,018.93	1,378.96	639.97	Yes
June, 2021	IDBI/SBI/SCB	Trade Receivables	2,996.98	2,969.32	27.66	Yes
		Inventories	2,018.31	2,046.91	(28.60)	Yes
		Trade Payables	2,253.70	1,593.00	660.70	Yes

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any fresh investments or provided any guarantee /security /advance in companies, firms, limited liability partnership or any other parties during the period. The Company has not provided, granted any loans or advances in the nature of loans, secured or unsecured, to any companies, firms, limited liability partnership during the period. The Company has granted loans to employees during the period, in respect of which the requisite information is as below.

Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees as below:

Particulars	Loans (Rs. million)
Aggregate amount during the period	2.30
Balance outstanding as at balance sheet date	1.95

(b) According to the information and explanations given to us and based on the audit procedures conducted by us and in view of the Company's policy to provide loans to its employees, we are of the opinion that

**B S R & Co. LLP**

the terms and conditions of the grant of loans to employees are, prima facie, not prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal has been stipulated and the repayments have been regular. As per the Company's policy, the Company is providing interest free loan to employees. Further, the Company has not given any advance in the nature of loan to any party during the period.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the period.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the period, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. In respect of the investments made by the Company, the provisions of section 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income-tax, duty of customs, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in few cases related to deposit of income tax, provident fund and employees' state insurance.

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According to the information and explanations given to us, 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, cess, goods and service tax and other material statutory dues were in arrears as at 30 September 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount involved (in millions)	Amount paid under protest (in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax, 1961	Income Tax	14.63	9.10	2008-2015	ITAT
		475.03	4.30	2005-2006 2013-2014 2015-2017 2018-2019	CIT(A)
Sales Tax Laws	Sales Tax	97.30	13.95	2005-2017	CIT(A)

The following matters which have been excluded from the table above, have been decided in favour of the Company but the department has preferred appeals at higher levels. The details are given below:

Name of the statute	Nature of the dues	Amount involved (in millions)	Amount paid under protest (in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax, 1961	Income Tax	1.05	-	2002-03	Delhi High Court
		24.48	1.67	2008-2010 2011-2015	ITAT

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the period.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the period. Further, the Company did not have any outstanding loans or borrowings from any other lender during the period.

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- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the period ended 30 September 2021. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the period on the pledge of securities held in its subsidiaries or joint ventures companies (as defined under Companies Act, 2013).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the period while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

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- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.  
 (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) & (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.  
 (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.  
 (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current period and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the period. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

**B S R & Co. LLP**

- (xx) (a) & (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

*Chartered Accountants*

ICAI Firm's Registration No: 101248W/W- 100022

**Adhir Kapoor**

*Partner*

Membership No.: 098297

UDIN: 22098297AAAAAD7956

Place: New Delhi

Date: 27 January 2022

**B S R & Co. LLP**

**Annexure B to the Independent Auditors' report on the financial statements of C&S Electric Limited for the period ended 30 September 2021.**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2 (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to financial statements of C&S Electric limited ("the Company") as of 30 September 2021 in conjunction with our audit of the financial statements of the Company for the period 01 April 2021 to 30 September 2021.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 30 September 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's responsibility for internal financial controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditors' responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

## **B S R & Co. LLP**

included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of internal financial controls with reference to financial statements**

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

**B S R & Co. LLP****Inherent limitations of internal financial controls with reference to financial statements**

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

For **B S R & Co. LLP***Chartered Accountants*

ICAI Firm's Registration No: 101248W/W- 100022

**Adhir Kapoor***Partner*

Membership No.: 098297

UDIN: 22098297AAAAAD7956

Place: New Delhi

Date: 27 January 2022

C&S Electric Limited  
Balance sheet  
As at September 30, 2021

(All amounts are in INR million except wherever stated otherwise)

Particulars	Note	As at September 30, 2021	As at March 31, 2021
<b>I. ASSETS</b>			
<b>1 Non - current assets</b>			
(a) Property, plant and equipment	2a	1,481.02	1,536.73
(b) Right-of-use assets	2b	254.93	282.47
(c) Capital work-in-progress	3	33.77	18.24
(d) Other intangible assets	4	13.42	15.43
(e) Intangible assets under development	5	12.42	12.42
(f) Financial assets			
(i) Trade receivables	6 (a)	0.33	9.19
(ii) Other financial assets	7 (a)	40.38	34.44
(g) Deferred tax assets (net)	9	270.48	222.99
(h) Income tax assets (net)	10	70.21	46.32
(i) Other non current assets	8 (a)	69.54	74.77
		<b>2,246.50</b>	<b>2,253.00</b>
<b>2 Current assets</b>			
(a) Inventories	11	1,986.48	1,872.89
(b) Financial assets			
(i) Investments	12	33.89	-
(ii) Trade receivables	6 (b)	2,426.63	2,572.22
(iii) Cash and cash equivalents	13 (a)	508.86	1,436.28
(iv) Bank balances other than (iii) above	13 (b)	129.89	126.91
(v) Loans	14	1.95	1.60
(vi) Other financial assets	7 (b)	107.72	110.81
(c) Other current assets	8 (b)	315.97	167.44
		<b>5,511.39</b>	<b>6,288.15</b>
		<b>7,757.89</b>	<b>8,541.15</b>
<b>Total assets</b>			
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	15	442.68	442.68
(b) Other equity		3,779.79	3,594.83
		<b>4,222.47</b>	<b>4,037.51</b>
<b>2 Liabilities</b>			
<b>Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	-	9.81
(ii) Lease liabilities	17 (a)	175.21	199.11
(iii) Other financial liabilities	18 (a)	41.70	41.31
(b) Provisions	19 (a)	221.85	202.61
		<b>438.76</b>	<b>452.84</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	16.01	524.32
(ii) Lease liabilities	17 (b)	45.99	45.38
(iii) Trade payables	22		
(A) total outstanding dues of micro enterprises and small enterprises; and		235.95	490.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,782.98	2,074.27
(iv) Other financial liabilities	18 (b)	261.92	352.90
(b) Other current liabilities	20	480.73	355.94
(c) Provisions	19 (b)	235.79	178.55
(d) Current tax liabilities (net)	23	37.29	29.44
		<b>3,096.66</b>	<b>4,050.80</b>
		<b>3,535.42</b>	<b>4,503.64</b>
<b>Total equity and liabilities</b>			
		<b>7,757.89</b>	<b>8,541.15</b>

Significant accounting policies

1

The accompanying notes from 1 to 58 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm registration No.: 101248W/ W-100022

For and on behalf of the Board of Directors  
**C&S Electric Limited**

**Adhir Kapoor**  
Partner  
Membership No. : 098297

**Prakash Kumar Chandraker**  
Managing Director & CEO  
DIN No.: 05150366

**Siddharth Kasera**  
Director  
DIN No.: 09086454

**Manav Adlakhia**  
Chief Financial Officer  
PAN.: AEIPA4199N

**Anup Sobti**  
Company Secretary  
ACS No.: 16466

Place : New Delhi  
Date : 27 January 2022

Place : New Delhi  
Date : 27 January 2022

C&S Electric Limited  
**Statement of profit and loss**  
**For the period April 01, 2021 to September 30, 2021**  
*(All amounts are in INR million except wherever stated otherwise)*

Particulars	Note	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
I Revenue from operations	24	4,878.54	8,593.24
II Other income	25	120.55	233.23
<b>III Total income (I + II)</b>		<b>4,999.09</b>	<b>8,826.47</b>
IV <b>Expenses:</b>			
(a) Cost of materials consumed	26	3,120.98	5,057.24
(b) Purchases of stock-in-trade	27	2.09	14.48
(c) Changes in inventories of finished goods, stock-in-trade and work in progress	28	(100.74)	6.03
(d) Employee benefits expense	29	674.50	1,325.54
(e) Finance costs	30	45.61	245.81
(f) Depreciation and amortisation expense	31	134.53	325.93
(g) Provision for impairment of investment		-	93.29
(h) Other expenses	32	837.11	2,568.08
<b>Total expenses (IV)</b>		<b>4,714.08</b>	<b>9,636.40</b>
<b>V Profit / (loss) before tax (III - IV)</b>		<b>285.01</b>	<b>(809.93)</b>
VI <b>Tax expense:</b>			
(a) Current tax	33 (a)	148.13	91.83
(b) Deferred tax	33 (a)	(47.51)	(244.13)
<b>Total tax expenses</b>		<b>100.62</b>	<b>(152.30)</b>
<b>VII Profit for the period / (loss) for the year from continuing operations (V - VI)</b>		<b>184.39</b>	<b>(657.63)</b>
<b>Discontinued operations:</b>			
Loss from discontinued operations		-	(148.54)
Tax Credit on discontinued operations		-	84.04
<b>Loss after tax from discontinued operations</b>		<b>-</b>	<b>(232.58)</b>
<b>Profit/ (loss) for the period / year</b>		<b>184.39</b>	<b>(890.21)</b>
VIII <b>Other comprehensive income</b>			
<b>In respect of continuing operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit liabilities	33 (b)	1.14	(4.91)
Income tax relating to items that will not be reclassified to profit or loss		(0.57)	1.23
<b>In respect of discontinued operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit liabilities		-	(0.19)
Income tax relating to items that will not be reclassified to profit or loss		-	0.05
<b>Other comprehensive income / (loss)</b>		<b>0.57</b>	<b>(3.82)</b>
<b>IX Total comprehensive income for the period / year (VII + VIII)</b>		<b>184.96</b>	<b>(894.03)</b>
X <b>Basic and diluted earnings per share (of Rs. 10 each):</b>			
(i) Earning per share from continuing operations	43	4.17	(14.86)
(ii) Earning per share from discontinued operations		-	(5.25)
(iii) Earning per share from continuing and discontinued operations		4.17	(20.11)

**Significant accounting policies**

1

The accompanying notes from 1 to 58 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm registration No.: 101248W/ W-100022

For and on behalf of the Board of Directors  
**C&S Electric Limited**

**Adhir Kapoor**  
Partner  
Membership No. : 098297

**Prakash Kumar Chandraker**  
Managing Director & CEO  
DIN No.: 05150366

**Siddharth Kasera**  
Director  
DIN No.: 09086454

**Manav Adlakha**  
Chief Financial Officer  
PAN.: AEIPA4199N

**Anup Sobti**  
Company Secretary  
ACS No.: 16466

Place : New Delhi  
Date : 27 January 2022

Place : New Delhi  
Date : 27 January 2022

**C&S Electric Limited**  
**Statement of cash flows**  
**For the period April 01, 2021 to September 30, 2021**  
*(All amounts are in INR million except wherever stated otherwise)*

Particulars	As at September 30, 2021		As at March 31, 2021	
<b>A. Cash flow from operating activities</b>				
Profit before tax / (Net loss)	285.01		(809.93)	
Loss before tax from discontinuing operations	-	<b>285.01</b>	(148.54)	<b>(958.47)</b>
Adjustments for :				
Loss from discontinued operations, net of income taxes	-		148.54	
Depreciation and amortisation expenses	134.54		325.93	
Loss on sale of Property, plant and equipment	0.08		3.72	
Interest expenses	22.23		189.57	
Other borrowing costs	4.60		37.57	
Unwinding of discounts on financial assets	8.57		-	
Interest expense on lease liabilities	10.21		18.66	
Interest income on deposits	(12.95)		(15.77)	
Interest income on overdue trade receivables	-		(8.88)	
Interest income on financial assets carried at amortised cost	(0.45)		(0.40)	
Net gain on disposal of debt instruments at amortised cost	-		(30.13)	
Liabilities/ provisions no longer required written back	(105.86)		(23.32)	
Provision for debt balances	24.14		-	
Provision for foreseeable loss and others	32.08		162.48	
Provision for doubtful debt/ bad debts written off	76.73		511.80	
Unrealised foreign exchange (gain)/ loss (net)	(3.44)		49.93	
Mark to market loss /(gain) on derivative contracts	3.21		(35.45)	
Charge for slow moving inventory/ inventory written off	-		175.19	
Profit on sale of Investment	-		(88.49)	
Provision for impairment of Investment	-		93.29	
Provision for Warranty	22.20		-	
		<b>215.89</b>		<b>1,514.24</b>
<b>Operating profit before working capital changes</b>		<b>500.90</b>		<b>555.77</b>
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(93.82)		35.45	
Trade receivables	74.73		449.18	
Other non-current financial assets	(7.01)		(1.27)	
Other current financial assets	33.14		(39.37)	
Other current assets	(153.12)		156.17	
Other non-current assets	(1.48)		(14.92)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(496.75)		691.06	
Other non-current financial liabilities	0.40		0.73	
Other current financial liabilities	(114.59)		(352.19)	
Other current liabilities	124.79		(16.21)	
Short-term provisions	2.95		(0.84)	
Long-term provisions	20.38		9.79	
		<b>(610.38)</b>		<b>917.58</b>
<b>Cash (used in) / flow from operating activities</b>		<b>(109.48)</b>		<b>1,473.35</b>
Income taxes paid		(164.72)		(114.87)
Net cash flow from operating activities - continuing operations		<b>(274.20)</b>		1,358.48
Net cash used in operating activities - discontinuing operations		-		(11.63)
<b>Net cash (used in) / flow from operating activities - continuing and discontinuing operations (A)</b>		<b>(274.20)</b>		<b>1,346.85</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on Property, plant and equipment	(90.47)		(291.75)	
Proceeds from sale of Property, plant and equipment	4.03		55.56	
Sale of investments	-		676.10	
Loan to employees	-		1.16	
Movement in bank balances not considered as cash and cash equivalents	9.97		(8.01)	
Net cash (used in) / flow from investing activities - continuing operations		(76.47)		433.06
Net cash flow from investing activities - discontinuing operations		-		1,464.09
<b>Net cash (used in) / flow from investing activities - continuing and discontinuing operations (B)</b>		<b>(76.47)</b>		<b>1,897.15</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from borrowings (Include foreign exchange loss of Rs. Nil (Previous year 39.81)	-		210.19	
Repayment of borrowings	(514.19)		(264.04)	
Net decrease in working capital borrowings	(4.78)		(1,868.51)	
Interest expenses	(24.28)		(196.55)	
Other borrowing costs	-		(37.57)	
Repayment of lease liabilities and interest	(33.50)		(56.08)	
Net cash used in financing activities - continuing operations		(576.75)		(2,212.56)
Net cash used in financing activities - discontinuing operations		-		(10.94)
<b>Net cash used in financing activities - continuing and discontinuing operations (C)</b>		<b>(576.75)</b>		<b>(2,223.50)</b>
<b>Net (decrease) / increase in Cash and cash equivalents (A+B+C)</b>		<b>(927.42)</b>		<b>1,020.50</b>
Cash and cash equivalents at the beginning of the period		1,436.28		415.78
<b>Cash and cash equivalents at the end of the period</b>		<b>508.86</b>		<b>1,436.28</b>

Cash and cash equivalents comprises:		
Cash in hand	0.08	0.29
Cheques / drafts in hand	-	-
Balances with banks		
(i) In current accounts	265.92	471.86
(ii) In deposits accounts with original maturity of less than 3 months	242.86	964.13
(Refer note 13a)	<b>508.86</b>	<b>1,436.28</b>

Movement in financial liabilities	Non-current borrowings	Current borrowings	Total
As at April 01, 2021	9.81	524.33	534.13
Proceeds from borrowings	-	-	-
Repayments of borrowings	(9.81)	(509.17)	(518.97)
Reinstatement impact of foreign currency loan	-	0.85	0.85
As at September 30, 2021	-	16.01	16.01

The above statement of cash flow has been prepared under the "indirect method" as set out in Ind AS-7 - "Statement of cash flows".

**Significant accounting policies**

1

The accompanying notes from 1 to 58 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm registration No.: 101248W/W-100022

For and on behalf of the Board of Directors  
**C&S Electric Limited**

**Adhir Kapoor**  
Partner  
Membership No.: 098297

**Prakash Kumar Chandraker**  
Managing Director & CEO  
DIN No.: 05150366

**Siddharth Kasera**  
Director  
DIN No.: 09086454

**Manav Adlakha**  
Chief Financial Officer  
PAN: AEIPA4199N

**Anup Sobti**  
Company Secretary  
ACS No.: 16466

Place : New Delhi  
Date : 27 January 2022

Place : New Delhi  
Date : 27 January 2022

## C&S Electric Limited

### Statement of changes in equity for the period from April 01, 2021 to September 30, 2021

(All amounts are in INR million except wherever stated otherwise)

#### a. Equity share capital

Particulars	As at September 30, 2021	As at March 31, 2021
Opening Balance	442.68	442.68
Changes in equity share capital during the period / year	-	-
Closing Balance	442.68	442.68

#### c. Other equity

Particulars	Other equity			Total
	Reserves and surplus		Other Comprehensive income	
	General reserve	Surplus in Statement of Profit and Loss		
Balance as at April 1, 2020	681.18	3,808.58	(0.90)	4,488.86
1. Profit for the year	-	(890.21)	-	(890.21)
2. Other comprehensive income for the year, net of income tax	-	(3.82)	-	(3.82)
<b>Total comprehensive income for the year</b>	-	<b>(894.03)</b>	-	<b>(894.03)</b>
Balance as at March 31, 2021	681.18	2,914.55	(0.90)	3,594.83
1. Profit for the period	-	184.39	-	184.39
2. Other comprehensive income for the period ended September 30, 2021, net of income tax	-	0.57	-	0.57
<b>Total comprehensive income for the period April 01, 2021 to September 30, 2021</b>	-	<b>184.96</b>	-	<b>184.96</b>
Balance as at September 30, 2021	681.18	3,099.51	(0.90)	3,779.79

#### Significant accounting policies

1

The accompanying notes from 1 to 58 form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration No.: 101248W/ W-100022

Adhir Kapoor

Partner

Membership No. : 098297

For and on behalf of the Board of Directors

C&S Electric Limited

Prakash Kumar Chandraker

Managing Director & CEO

DIN No.: 05150366

Siddharth Kasera

Director

DIN No.: 09086454

Manav Adlakhia

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Anup Sobti

Company Secretary

ACS No.: 16466

Place : New Delhi

Date : 27 January 2022

Place : New Delhi

Date : 27 January 2022

**C&S Electric Limited**

**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

**Note 1 - General information and Significant Accounting Policies**

**Note 1.1 - General information**

C&S Electric Limited ('The Company') is a public limited company incorporated in India, having registered office at 222, Okhla phase - III, New Delhi - 110 020 and having principal place of business in New Delhi, Noida, Greater Noida, Haridwar and Assam.

The Company's operations and principal activities includes manufacturing and business of electrical switchgear, controlgears, contactors, miniature circuit breakers (MCBs), electrical and electronic panels, protection and measurement devices, bus ducts, bus trunkings and wiring products etc.

**Note 1.2 - Basis of preparation and presentation**

**I. Statement of compliance**

The financial statements have been prepared to comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act 2013 ("The Act") and other relevant provisions of the Act, as applicable.

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

**II. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations

**III. Use of estimates and judgement**

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

(i) Useful lives and residual value of property, plant and equipment, intangible assets and investment properties : Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. and same is reviewed at each financial year end / period end.

(ii) Impairment of investments : The Company has reviewed its carrying value of long term investments in equity shares of subsidiaries and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Provision of loss on project : The Company records a provision for onerous contracts with customers when current estimates of total estimated costs exceed estimated revenue. Onerous contracts with customers are identified by monitoring the progress of the project and updating the estimates which require significant judgement relating to achieving certain performance standards.

(iv) Deferred tax assets : The Company has reviewed the carrying amount of deferred tax assets at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(v) Revenue Recognition : Provision for Sales Returns and Discounts are estimated based on past experience, market conditions and announced schemes.

**IV. Measurement of fair values**

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 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 such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

**V. Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**Note 1.3 - Significant Accounting Policies**

**I. Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Sale of goods : - Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customer in an amount that reflect the consideration the Company expects to receive in exchange of this product and service. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, cash discounts and volume rebates.

Income from services :- Revenue from sale of power is recognised based on generated electricity units supplied to the customer.

Income from erection / work contracts :- When the outcome of a erection / work contracts can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a erection / work contracts cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Other income : - Dividend income from investments is recognised when the shareholder's right to receive the payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

## II. Property, Plant and Equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. 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 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 in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value over their useful lives. Freehold Land is not depreciated.
- ii. **Capital work-in-progress**  
Projects under which property plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

## III. Intangible assets :

- i. Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:
  - a. for assets acquired in a business combination, at fair value on the date of acquisition.
  - b. for separately acquired assets, at cost comprising the purchase price (including import duties and non refundable taxes) and directly attributable costs to prepare the asset for its intended use. Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and websites are not recognised as intangible assets. The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g. patents, licenses and trademarks) or the likelihood of technical, technological obsolescence (e.g. computer software, design, prototypes) or commercial obsolescence (e.g. lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized. All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

- ii. Intangible assets under development  
Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

## IV. A. Depreciation / amortisation

- i. The Company is following the straight line method of depreciation in respect of buildings, plant and machinery, office equipment and written down value method in respect of other assets.
- ii. Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc., as given below:

Estimated useful lives :-

Asset	Useful Life
Buildings	30-60 years
Plant and Equipment	3-15 years
Furniture and Fixtures	10 years
Vehicles	8-10 years
Office Equipments	5 years
Leasehold improvement	Shorter of lease period or above estimated useful life

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

- iii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- iv. Intangible assets, comprising of development expenditure on technical know how and commercial rights are amortised on a straight line method over the period of their useful life. (refer note 5)
- v. Goodwill arising on acquisition of business is carried at cost as established at the date of acquisition of the business, less accumulated amortisation and impairment losses, if any.

#### B. Impairment

##### (i). Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

##### (ii). Non - financial assets

##### Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

#### V. Foreign Currency Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

#### VI. Financial Instruments

##### Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

##### Subsequent measurement

##### Non derivative financial instruments

**(i) Financial assets carried at amortised cost** : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI)**: A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

**(iii) Investment in subsidiaries and Joint Venture** : Investment in subsidiaries and joint venture is carried at cost less impairment, if any, in the separate financial statements.

**(iv) Financial assets carried at fair value through profit or loss (FVTPL)**: A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

**(v) Financial liabilities** : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### Derecognition

##### i) Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

##### ii) Financial liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

##### Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### VII. Impairment of investments

The Company reviews its carrying value of long term investments in equity shares of subsidiaries and other companies carried at cost / amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**C&S Electric Limited****Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***VIII. Inventories**

Finished goods and Stock-in-trade are valued at lower of cost and net realisable value.  
 Work in progress on works contracts, awaiting billing is valued at proportionate contract value.  
 The bases of determining costs for various categories of inventories are as follows:-

Raw material and components	- Weighted average
Work in progress and finished goods	- Weighted material cost plus appropriate share of labour and other overheads.
Work in progress at works contracts	- Weighted material cost, direct labour and other direct expenses.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

**IX. Employee Benefits**

The Company has various schemes of employee benefits such as provident fund, superannuation fund, gratuity and compensated absences, which are dealt with as under:

- i. Contributions to provident fund are charged to statement of profit and loss.
- ii. Contributions towards Superannuation Scheme of Life Insurance Corporation of India are charged to statement of profit and loss.
- iii. Contributions are made towards Gratuity Scheme of Life Insurance Corporation of India. Provision for gratuity is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.
- iv. Provision for leave encashment (including long term compensated absences) is made based on an actuarial valuation. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.
- v. Liability on account of short term employee benefits, comprising largely of compensated absences and performance incentives, is recognised on an undiscounted accrual basis during the period when the employee renders service.

**X. Contingent liabilities and provisions**

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Company has a legal / constructive obligation as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

**XI. Research and development**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for the same.

**XII. Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 "Income Tax" and Ind AS 19 "Employee Benefits" respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

**XIII. Earnings per share**

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

**XIV. Income taxes**

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**C&S Electric Limited**

**Notes forming part of the financial statements**

*(All amounts are in INR million except wherever stated otherwise)*

**XV. Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**XVI. Ind AS 116 "Leases"**

Effective 1 April 2019, the Company has applied Ind AS 116 using modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately if they are different from those under Ind AS 116 and the impact of changes is disclosed a note below.

**Policy applicable from 1 April 2019**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and  
the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

This policy is applicable to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as lessee

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**XVII. Discontinued operations**

A discontinued operation is a division of Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if either.

When an operation is classified as discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

**Note 1.4 - Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements**

Recent pronouncements On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. There are no such recently issued standards or amendments to the existing standards for which the impact on the financial statement is required to be disclosed.

C&S Electric Limited  
Notes forming part of the financial statements  
(All amounts are in INR million except wherever stated otherwise)

**Note 2a - Property, plant and equipment**  
As at September 30, 2021

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / discard of assets	As at September 30, 2021	As at April 01, 2021	Depreciation for the period	Eliminated on disposal / discard of assets	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
<b>BUILDINGS</b>										
Factory buildings	503.33	-	-	503.33	113.04	8.69	-	121.73	381.60	390.29
Office buildings	0.01	-	-	0.01	0.01	-	-	0.01	-	-
Leasehold improvements	99.09	0.87	-	99.96	24.97	15.25	-	40.22	59.74	74.12
Temporary shed	5.04	-	-	5.04	1.58	-	-	1.58	3.46	3.46
	<b>607.47</b>	<b>0.87</b>	<b>-</b>	<b>608.34</b>	<b>139.60</b>	<b>23.94</b>	<b>-</b>	<b>163.54</b>	<b>444.80</b>	<b>467.87</b>
<b>PLANT AND EQUIPMENT</b>										
Plant and machinery	858.48	19.78	(0.02)	878.24	410.57	31.80	(0.00)	442.37	435.87	447.91
Laboratory testing equipment	41.84	0.64	-	42.48	26.19	7.66	-	33.85	8.63	15.65
Tools, dies, jigs and fittings (refer note (i) below)	657.26	22.20	0.00	679.46	121.44	27.59	0.00	149.03	530.43	535.82
Generator	26.84	-	-	26.84	11.91	1.05	-	12.96	13.88	14.93
Storage weighing and handling equipment	18.07	-	-	18.07	8.51	0.82	-	9.33	8.74	9.56
Air conditioner	13.10	0.34	(0.07)	13.37	8.08	0.81	(0.07)	8.82	4.55	5.02
Computer	74.09	3.49	-	77.58	54.11	5.61	-	59.72	17.86	19.98
	<b>1,689.68</b>	<b>46.45</b>	<b>(0.09)</b>	<b>1,736.04</b>	<b>640.81</b>	<b>75.34</b>	<b>(0.07)</b>	<b>716.08</b>	<b>1,019.96</b>	<b>1,048.87</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	12.92	2.54	-	15.46	8.76	0.78	-	9.54	5.92	4.16
	<b>12.92</b>	<b>2.54</b>	<b>-</b>	<b>15.46</b>	<b>8.76</b>	<b>0.78</b>	<b>-</b>	<b>9.54</b>	<b>5.92</b>	<b>4.16</b>
<b>VEHICLES</b>										
Vehicles	14.44	-	(6.89)	7.55	7.10	0.94	(2.81)	5.23	2.32	7.34
	<b>14.44</b>	<b>-</b>	<b>(6.89)</b>	<b>7.55</b>	<b>7.10</b>	<b>0.94</b>	<b>(2.81)</b>	<b>5.23</b>	<b>2.32</b>	<b>7.34</b>
<b>OFFICE EQUIPMENT</b>										
Office equipment	11.49	1.24	(0.02)	12.71	3.00	1.70	(0.01)	4.69	8.02	8.49
	<b>11.49</b>	<b>1.24</b>	<b>(0.02)</b>	<b>12.71</b>	<b>3.00</b>	<b>1.70</b>	<b>(0.01)</b>	<b>4.69</b>	<b>8.02</b>	<b>8.49</b>
	<b>2,336.00</b>	<b>51.10</b>	<b>(7.00)</b>	<b>2,380.10</b>	<b>799.27</b>	<b>102.70</b>	<b>(2.89)</b>	<b>899.08</b>	<b>1,481.02</b>	<b>1,536.73</b>

(i) The cost of finished and semi finished tools, dies, jigs and fittings manufactured during the period in the tool room and included in Property, plant and equipment at Rs.12.06 (Previous year 38.93) has been determined on the basis of estimates of the technical personnel of the Company, for materials used and labour hours spent on each such tools, dies and fittings.

(ii) For lien / charge against Property, plant and equipment refer note 16 and 21.

(iii) All the immovable properties' title deed are in the name of Company and not held jointly with others.

(iv) During the previous year, the company has done the physical verification of Property plant and equipment as per the program and written off the asset amounting to Rs. 17.48 (Gross Block: Rs. 185.23 and Net Block: Rs. 17.48) for the assets which were not physically available.

(v) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

**Note 2b - Right-of-use assets**

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / discard of assets	As at September 30, 2021	As at April 01, 2021	Depreciation for the period	Disposals / discard of assets	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
Leasehold Land	91.15	1.08	-	92.23	4.58	3.79	-	8.37	83.86	86.57
Buildings	277.64	-	-	277.64	81.74	24.83	-	106.57	171.07	195.90
	<b>368.79</b>	<b>1.08</b>	<b>-</b>	<b>369.87</b>	<b>86.32</b>	<b>28.62</b>	<b>-</b>	<b>114.94</b>	<b>254.93</b>	<b>282.47</b>

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*

- (i) All the immovable properties' including properties held on leases' title deed are in the name of Company and not held jointly with others.
- (ii) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.
- (iii) The impact on the statement of profit and loss account is as below :

Particulars	As at September 30, 2021	As at April 01, 2021
Rent expenses is lower by	33.50	63.31
Depreciation is higher by	28.62	51.70
Finance cost is higher by	10.21	18.66
<b>Profit before tax is lower by</b>	<b>5.33</b>	<b>7.05</b>

(iv) The Company has recognised as rent expense during period April 01, 2021 to September 30, 2021 Rs. 5.36 (Previous year Rs. 3.59) which includes short term lease/ low value asset which were not recognised as part of right of use asset. (Refer note 32)

Particulars	As at April 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2021
<b>Note 3 - Capital work-in-progress</b>	18.24	27.09	(11.56)	33.77

**Capital work-in-progress ageing as on September 30, 2021**

Particulars	Amount in CWIP				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	32.42	1.35	-	-	33.77
(ii) Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>32.42</b>	<b>1.35</b>	<b>-</b>	<b>-</b>	<b>33.77</b>

The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan.

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / discard of assets	As at September 30, 2021	As at April 01, 2021	Depreciation for the period	Eliminated on disposal / discard of assets	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
<b>Note 4 - Other Intangible assets</b>										
Technical know how	25.89	-	-	25.89	25.88	0.00	-	25.88	0.01	0.01
Softwares	71.88	1.20	-	73.08	56.46	3.21	-	59.67	13.41	15.42
Commercial rights	22.33	-	-	22.33	22.33	-	-	22.33	-	-
<b>Total</b>	<b>120.09</b>	<b>1.20</b>	<b>-</b>	<b>121.30</b>	<b>104.67</b>	<b>3.21</b>	<b>-</b>	<b>107.88</b>	<b>13.42</b>	<b>15.43</b>

Particulars	As at April 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2021
<b>Note 5 - Intangible assets under development</b>	12.42	-	-	12.42

**Intangible assets under development ageing as on September 30, 2021**

Particulars	Amount in Intangible assets under development				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	-	12.42	-	-	12.42
(ii) Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>12.42</b>	<b>-</b>	<b>-</b>	<b>12.42</b>

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

C&S Electric Limited  
Notes forming part of the standalone financial statements  
(All amounts are in INR million except wherever stated otherwise)

**Note 2a - Property, plant and equipment**  
As at March 31, 2021

Particulars	Gross carrying amount				Accumulated depreciation					Net carrying amount		
	As at March 31, 2020	Additions	Disposals / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>LAND</b>												
Leasehold land under perpetual lease	10.59	-	-	(10.59)	-	-	-	-	-	-	-	10.59
Freehold land	7.44	-	(0.74)	(6.70)	-	-	-	-	-	-	-	7.44
	<b>18.03</b>	-	<b>(0.74)</b>	<b>(17.29)</b>	-	-	-	-	-	-	-	<b>18.03</b>
<b>BUILDINGS</b>												
Factory buildings	639.29	62.55	(47.84)	(150.67)	503.33	130.61	38.21	(17.69)	(38.09)	113.04	390.29	508.67
Office buildings	35.59	-	-	(35.58)	0.01	3.32	0.58	-	(3.89)	0.01	-	32.27
Leasehold improvements	100.39	12.86	-	(14.16)	99.09	21.84	4.47	-	(1.34)	24.97	74.12	78.56
Temporary shed	2.36	3.08	-	(0.40)	5.04	0.59	1.16	-	(0.17)	1.58	3.46	1.77
	<b>777.63</b>	<b>78.49</b>	<b>(47.84)</b>	<b>(200.81)</b>	<b>607.47</b>	<b>156.36</b>	<b>44.42</b>	<b>(17.69)</b>	<b>(43.49)</b>	<b>139.60</b>	<b>467.87</b>	<b>621.27</b>
<b>PLANT AND EQUIPMENT</b>												
Plant and machinery	1,099.80	85.69	(54.20)	(272.81)	858.48	487.16	93.76	(48.28)	(122.07)	410.57	447.91	612.64
Laboratory testing equipment	51.20	1.51	(0.05)	(10.82)	41.84	24.26	5.49	(0.03)	(3.53)	26.19	15.65	26.95
Tools, dies, jigs and fittings (refer note (i) below)	804.20	79.52	(204.45)	(22.01)	657.26	215.64	114.22	(201.39)	(7.03)	121.44	535.82	588.56
Generator	23.79	5.42	(0.43)	(1.94)	26.84	11.40	2.22	(0.48)	(1.23)	11.91	14.93	12.39
Storage weighing and handling equipment	27.52	0.11	(1.03)	(8.53)	18.07	9.87	2.30	(0.94)	(2.72)	8.51	9.56	17.65
Air conditioner	15.99	3.10	(0.31)	(5.68)	13.10	11.88	1.47	(0.31)	(4.96)	8.08	5.02	4.11
Computer	98.31	9.89	(8.29)	(25.82)	74.09	60.86	19.84	(8.20)	(18.39)	54.11	19.98	37.44
	<b>2,120.81</b>	<b>185.24</b>	<b>(268.76)</b>	<b>(347.61)</b>	<b>1,689.68</b>	<b>821.07</b>	<b>239.30</b>	<b>(259.63)</b>	<b>(159.93)</b>	<b>640.81</b>	<b>1,048.87</b>	<b>1,299.74</b>
<b>FURNITURE AND FIXTURES</b>												
Furniture and fixtures	23.71	4.11	(3.98)	(10.92)	12.92	17.19	2.37	(3.96)	(6.84)	8.76	4.16	6.52
	<b>23.71</b>	<b>4.11</b>	<b>(3.98)</b>	<b>(10.92)</b>	<b>12.92</b>	<b>17.19</b>	<b>2.37</b>	<b>(3.96)</b>	<b>(6.84)</b>	<b>8.76</b>	<b>4.16</b>	<b>6.52</b>
<b>VEHICLES</b>												
Vehicles	107.75	-	(87.11)	(6.20)	14.44	54.27	14.38	(58.15)	(3.40)	7.10	7.34	53.48
	<b>107.75</b>	-	<b>(87.11)</b>	<b>(6.20)</b>	<b>14.44</b>	<b>54.27</b>	<b>14.38</b>	<b>(58.15)</b>	<b>(3.40)</b>	<b>7.10</b>	<b>7.34</b>	<b>53.48</b>
<b>OFFICE EQUIPMENT</b>												
Office equipment	27.20	6.88	(9.16)	(13.43)	11.49	15.75	4.41	(9.12)	(8.04)	3.00	8.49	11.45
	<b>27.20</b>	<b>6.88</b>	<b>(9.16)</b>	<b>(13.43)</b>	<b>11.49</b>	<b>15.75</b>	<b>4.41</b>	<b>(9.12)</b>	<b>(8.04)</b>	<b>3.00</b>	<b>8.49</b>	<b>11.45</b>
	<b>3,075.13</b>	<b>274.72</b>	<b>(417.59)</b>	<b>(596.26)</b>	<b>2,336.00</b>	<b>1,064.64</b>	<b>304.88</b>	<b>(348.55)</b>	<b>(221.70)</b>	<b>799.27</b>	<b>1,536.73</b>	<b>2,010.50</b>

(i) The cost of finished and semi finished tools, dies, jigs and fittings manufactured during the year in the tool room and included in Property, plant and equipment at Rs.38.93 (previous year Rs. 61.57) has been determined on the basis of estimates of the technical personnel of the Company, for materials used and labour hours spent on each such tools, dies, jigs and fittings.

(ii) For lien / charge against Property, plant and equipment refer note 16 and 21.

(iii) All the immovable properties' title deed are in the name of Company and not held jointly with others.

(iv) During the current year, the company has done the physical verification of Property plant and equipment as per the program and written off the asset amounting to Rs. 17.48 (Gross Block: Rs. 185.23 and Net Block: Rs. 17.48) for the assets which were not physically available.

(v) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

**Note 2b - Right-of-use assets**

Particulars	Gross carrying amount				Accumulated depreciation					Net carrying amount		
	As at March 31, 2020	Additions	Disposals / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Disposals / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Leasehold Land	146.00	51.41	(17.54)	(88.72)	91.15	8.86	10.96	(6.54)	(8.70)	4.58	86.57	137.14
Buildings	172.14	105.50	-	-	277.64	37.07	44.67	-	-	81.74	195.90	135.07
	<b>318.14</b>	<b>156.91</b>	<b>(17.54)</b>	<b>(88.72)</b>	<b>368.79</b>	<b>45.93</b>	<b>55.63</b>	<b>(6.54)</b>	<b>(8.70)</b>	<b>86.32</b>	<b>282.47</b>	<b>272.21</b>

(i) The Company had adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and had applied the standard to its leases by using modified retrospective approach and accordingly had recognised right of use assets and lease liability on the basis of lease payment remaining outstanding as of April 1, 2019 by discounting it at an incremental rate of 8.5% of borrowing at the date of initial application i.e. 1 April 2019. As a result of initially applying Ind AS 116, in relation to the leases that were previously classified as operating leases, on 1 April 2019, the Company had recognized, a lease liability amounting to Rs 192.37 and Right-of-Use (ROU) assets amounting to Rs. 307.06. Further in relation to those leases under Ind AS 116, the Company had recognized depreciation and finance cost, instead of operating lease expense. During the year ended March 31, 2021, the Company has recognized depreciation amounting to Rs. 55.63 (Previous Year Rs. 45.93) and finance cost amounting to Rs. 21.57 (Previous Year Rs. 21.78) from these leases.

(ii) All the immovable properties' including properties held on leases' title deed are in the name of Company and not held jointly with others.

(iii) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988

(iv) The impact on the statement of profit and loss account is as below :

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Rent expenses is lower by	63.31	46.56
Depreciation is higher by	51.70	45.93
Finance cost is higher by	18.66	21.78
<b>Profit before tax is lower by</b>	<b>7.05</b>	<b>21.15</b>

**C&S Electric Limited**

Notes forming part of the standalone financial statements

(All amounts are in INR million except wherever stated otherwise)

(v) The Company has recognised as rent expense during the year Rs. 3.59 (Previous Year Rs. 35.42) which includes short term lease/ low value asset which were not recognised as part of right of use asset. (Refer note 32)

Particulars	As at March 31, 2020	Addition	Transfer / Capitalisation	Transferred to discontinued operations	As at March 31, 2021
Note 3 - Capital work-in-progress	13.09	29.88	(6.92)	(5.39)	30.66

**Capital work-in-progress ageing as on March 31, 2021**

Particulars	Amount in CWIP				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	17.24	1.00	-	-	18.24
(ii) Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>17.24</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>18.24</b>

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

Particulars	Gross carrying amount				Accumulated amortisation					Net carrying amount		
	As at March 31, 2020	Additions	Disposals / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / discard of assets	Transferred to discontinued operations	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
<b>Note 4 - Other Intangible assets</b>												
Technical know how	25.89	-	-	-	25.89	25.88	-	-	-	25.88	0.01	0.01
Softwares	70.25	8.77	-	(7.14)	71.88	54.96	4.98	(0.03)	(3.45)	56.46	15.42	15.29
Commercial rights	83.32	6.24	-	(67.23)	22.33	59.73	8.35	-	(45.75)	22.33	-	23.59
<b>Total</b>	<b>179.46</b>	<b>15.01</b>	<b>-</b>	<b>(74.37)</b>	<b>120.10</b>	<b>140.57</b>	<b>13.33</b>	<b>(0.03)</b>	<b>(49.20)</b>	<b>104.67</b>	<b>15.43</b>	<b>38.89</b>

Particulars	As at March 31, 2020	Addition	Transfer / Capitalisation	Transferred to discontinued operations	As at March 31, 2021
Note 5 - Intangible assets under development	1.41	5.93	(1.97)	(5.37)	-

**Intangible assets under development ageing as on March 31, 2021**

Particulars	Amount in Intangible assets under development				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	12.42	-	-	-	12.42
(ii) Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>12.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.42</b>

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

C&S Electric Limited  
Notes forming part of the financial statements  
(All amounts are in INR million except wherever stated otherwise)

## Note 6 - Trade receivables

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Non current</b>		
Trade receivables on deferred credit term		
Unsecured, considered good	0.33	9.19
	<b>0.33</b>	<b>9.19</b>
<b>(b) Current</b>		
Trade receivables other than (a) above		
Secured, considered good	92.94	183.37
Unsecured, considered good*	2,333.69	2,388.85
Credit Impaired**	699.67	642.93
Less: Allowance for doubtful trade receivable	(699.67)	(642.93)
	<b>2,426.63</b>	<b>2,572.22</b>
(i) Parri passu charge on trade receivables refer note 16 and 21.		
(ii) The Company's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 41.		

\*Trade receivables (unsecured, considered good) includes Rs. 179.46 (Previous year Rs. 40.00) due from related parties. (refer note 37)

### Trade receivables ageing as at September 30, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - Considered goods	1,951.46	177.71	100.18	94.65	102.97	2,426.97
(ii) Undisputed trade receivables - Considered doubtful	58.92	83.75	141.34	168.32	197.76	650.09
(iii) Disputed trade receivables - Considered goods #	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered doubtful #	-	-	1.66	7.21	40.71	49.58
<b>Total</b>	<b>2,010.38</b>	<b>261.46</b>	<b>243.18</b>	<b>270.18</b>	<b>341.44</b>	<b>3,126.64</b>

### Trade receivables ageing as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - Considered goods	2,295.91	100.37	101.33	41.48	42.32	2,581.41
(ii) Undisputed trade receivables - Considered doubtful	81.35	43.65	220.38	63.63	184.63	593.64
(iii) Disputed trade receivables - Considered goods #	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered doubtful #	-	1.27	6.48	4.52	37.02	49.29
<b>Total</b>	<b>2,377.26</b>	<b>145.29</b>	<b>328.19</b>	<b>109.63</b>	<b>263.97</b>	<b>3,224.34</b>

\*\*There is outstanding of Rs. 358.37 (Previous year Rs. 395.00) from C&S Electric International B.V. (an erstwhile subsidiary of C&S Electric Limited) as on September 30, 2021 and out of this overdues of Rs. 333.62 (Previous year Rs. 260.00) which is beyond 180 days (normal payment terms are 120 days). Currently, The Management is in discussion with C&S Electric international B.V. for release of payment against the old outstanding. Given the fact that the Company has not received any written confirmation from the C&S Electric International B.V. specifying the date by which the outstanding will get settled and also given that the current financial health of the entity does not demonstrate ability to settle the overdue outstanding therefore management has decided to record a provision for Rs. 284.66 (Previous year Rs. 260.00).

# Disputed trade receivables represent where legal case with customers.

## Note 7 - Financial assets - Others

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Non Current</b>		
Other bank balances - Margin money deposits *	2.86	-
Security deposits	34.42	32.32
Earnest money deposits	3.10	2.12
	<b>40.38</b>	<b>34.44</b>
<b>(b) Current</b>		
Other bank balances - Margin money deposits *	3.25	3.29
Security deposits	2.01	1.23
Earnest money deposits	1.94	3.30
Interest accrued on overdues from customers	0.86	1.03
Contract Assets - Unbilled Revenue	9.12	16.30
Other receivables	1.37	0.39
Export incentives receivable	77.25	38.38
Contractually reimbursable expenses	3.19	2.58
Insurance claim receivables	7.98	8.86
Mark to market receivable on derivative contracts	0.75	35.45
	<b>107.72</b>	<b>110.81</b>
* Margin money with bank represents fixed deposits pledged with banks for guarantees issued to Government authorities.		

## Note 8 - Other assets

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>(a) Non Current</b>		
Capital advances	28.55	35.26
<b>Advances other than capital advances</b>		
Prepaid expenses	18.02	16.55
Others (amount deposited with Government authorities)	22.97	22.96
	<b>69.54</b>	<b>74.77</b>
<b>(b) Current</b>		
Advances to vendors	40.06	55.14
Prepaid expenses	47.75	41.53
Balance with government authorities	228.16	70.77
	<b>315.97</b>	<b>167.44</b>

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 9 - Deferred tax assets (net)**

Particulars	As at	As at
	September 30, 2021	March 31, 2021
<b>Tax effect of items constituting deferred tax assets</b>		
Provision for foreseeable losses & contingencies	45.24	36.63
Provision for employee benefits	77.52	71.29
Provision for doubtful trade receivables and inventory	222.20	211.65
Lease liabilities	34.53	61.53
Other temporary differences	55.67	19.53
	<b>435.16</b>	<b>400.63</b>
<b>Tax effect of items constituting deferred tax liability</b>		
On difference between written down value (WDV) of property plant and equipment as per Companies Act and as per Income tax act, 1961	100.52	106.55
On Right-of-use assets	64.16	71.09
	<b>164.68</b>	<b>177.64</b>
<b>Deferred tax assets (net)</b>	<b>270.48</b>	<b>222.99</b>

**Note 10 - Tax Assets (Net)**

Particulars	As at	As at
	September 30, 2021	March 31, 2021
<b>Tax Assets</b>		
Advance income tax and tax deducted at source receivable	1,319.15	1,157.70
Less : Provision for taxation	(1,248.94)	(1,111.38)
	<b>70.21</b>	<b>46.32</b>

**Note 11 - Inventories \***
*(At lower of cost and net realisable value)*

Particulars	As at	As at
	September 30, 2021	March 31, 2021
(a) Raw materials and bought out components (Includes goods in transit of Rs. 58.26 (Previous Year : Rs. 79.06))	1,044.91	1,042.63
(b) Work-in-progress	227.69	210.97
(c) Finished goods (Includes goods in transit of Rs. 117.25 (Previous Year : Rs. 98.67))	958.51	873.39
(d) Stock-in-trade	3.34	4.44
	2,234.45	2,131.43
Less : Write down / provision of inventory	(247.97)	(258.54)
	<b>1,986.48</b>	<b>1,872.89</b>

*\* Pari passu charge on inventories refer note 16 and 21.*

C&S Electric Limited  
Notes forming part of the financial statements  
(All amounts are in INR million except wherever stated otherwise)

## Note 12 - Current investments

Particulars	As at September 30, 2021		As at March 31, 2021	
	Qty (in nos)	Amount	Qty (in nos)	Amount
<b>(Unquoted, in joint ventures)</b>				
<b>Fully paid equity shares of Rs. 10 each</b>				
TC Electric Controls LLC (refer note (ii) below) (Net off provision for impairment of Rs. 13.58)		-		-
		-		-
<b>Investment in units of debentures at FVTPL (Unquoted)</b>				
Piramal Capital And Housing Finance Limited of face value of Rs. 850.24 each (refer note (i) below)	39,855	33.89	-	-
		33.89		-
<b>Aggregate amount of Unquoted Investment</b>				
<b>Financial Assets measured at FVTPL</b>				
Debentures		33.89		-
		33.89		-

(i) In accordance with the provisions of the Share purchase agreement (SPA) and subsequent amendments thereof, the Company is required to pay to the erstwhile promoters any amount received in relation to the investments in bonds of Dewan Housing Finance Limited (DHFL). During the period, the Company has received Rs. 33.13 and debentures of Rs. 33.89 in full and final settlement against its investments in DHFL of Rs. 150.00. Further discussion with the erstwhile promoter, the amendment in SPA has been finalized. According to the amendment in SPA, Siemens Limited is required to pay an amount of Rs. 67.02 to the erstwhile promoters. Accordingly the Company has recognised an investment of Rs. 33.89 and reversed the provision of Rs. 67.02.

(ii) The Company had an investment of Rs. 13.5 in Joint venture TC electric controls, US(JV). During the previous year JV partners of the Joint Venture Company had decided to wind up the Company. The JV Company had been dissolved on 31 March 2021. The Company has made provision of Rs. 13.5 on investment and Rs. 26.2 on trade receivables. The Company had received an amount of Rs. 3.3 against the trade receivable subsequent to the balance sheet date and the same has been shown in trade receivables (refer note 6). The Company is in the process of making necessary compliance as per Reserve Bank of India regulation.

## Note 13 - Cash and cash equivalents

Particulars	As at September 30, 2021	As at March 31, 2021
	<b>(a) Cash and cash equivalents</b>	
Cash in hand	0.08	0.29
Balances with banks		
(i) In current accounts	265.92	471.86
(ii) In deposits accounts with original maturity of less than 3 months	242.86	964.13
	<b>508.86</b>	<b>1,436.28</b>
<b>(b) Bank balances other than (a) above</b>		
Other bank balances		
(i) Deposits with original maturity of more than 3 months but less than 12 months	129.32	126.34
(ii) Earmarked Balances with banks - unpaid dividend	0.57	0.57
	<b>129.89</b>	<b>126.91</b>

## Note 14 - Loans\*

Particulars	As at September 30, 2021	As at March 31, 2021
	<b>Unsecured, considered good unless otherwise stated</b>	
Loan to employees	1.95	1.60
	<b>1.95</b>	<b>1.60</b>

\*No loans or advances which are in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person have been granted by the company.

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except share data)

**Note 15 - Equity share capital**

Particulars	As at September 30, 2021		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b> Equity shares of Rs. 10 each with voting rights	71,000,000	710.00	71,000,000	710.00
	<b>71,000,000</b>	<b>710.00</b>	<b>71,000,000</b>	<b>710.00</b>
<b>Issued, subscribed and fully paid up</b> Equity shares of Rs. 10 each with voting rights	44,268,062	442.68	44,268,062	442.68
	<b>44,268,062</b>	<b>442.68</b>	<b>44,268,062</b>	<b>442.68</b>

**(a) Reconciliation of equity shares at the beginning and at the end of the year:**

Particulars	As at September 30, 2021		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares with voting rights</b> Shares outstanding at the beginning of the period	44,268,062	442.68	44,268,062	442.68
Shares outstanding at the end of the period	<b>44,268,062</b>	<b>442.68</b>	<b>44,268,062</b>	<b>442.68</b>

**(b) Promoters Shareholding Pattern**

Shares held by promoters at the end of the period / year						%change during the year
S.No.	Promoter Name	As at September 30, 2021		As at March 31, 2021		
		No. Of Shares	%of total shares	No. Of Shares	%of total shares	
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%	-
	<b>Total</b>	<b>43,924,114</b>	<b>99.22%</b>	<b>43,924,114</b>	<b>99.22%</b>	<b>-</b>

**(c) Shareholders holding more than 5% of shares**

S.No.	Name	As at September 30, 2021		As at March 31, 2021	
		No. Of Shares	%of total shares	No. Of Shares	%of total shares
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%
	<b>Total</b>	<b>43,924,114</b>	<b>99.22%</b>	<b>43,924,114</b>	<b>99.22%</b>

**(d) Details of shares held by Holding Company**

S.No.	Name	As at September 30, 2021		As at March 31, 2021	
		No. Of Shares	%of total shares	No. Of Shares	%of total shares
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%
	<b>Total</b>	<b>43,924,114</b>	<b>99.22%</b>	<b>43,924,114</b>	<b>99.22%</b>

**(e) Rights, preferences and restrictions on equity shares:**

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

**C&S Electric Limited**

**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

**Note 16 - Non - current financial liabilities - Borrowings (at amortised cost)**

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Secured</b>		
<b>Term loans</b>		
from banks (refer note (i) below)	9.68	519.54
from other parties (refer note (ii) below)	6.33	9.81
Less : Current maturity of long term borrowings disclosed under Current financial liabilities - Borrowings (at amortised cost) (refer note 21)	(16.01)	(519.54)
	-	<b>9.81</b>

Notes :-

(i) Term loan in form of external commercial borrowings from Standard Chartered Bank of Rs. 9.68 (March 31, 2021 Rs. 28.60) is secured by present and future movable properties out of proceeds of the facility.

Repayment term :- Payable in one balance quarterly installments, each of Rs. 8.82 (Reinstated as Rs. 9.68 as per closing exchange rate on September 30, 2021).

Term loan of Rs. Nil (March 31, 2021 Rs. 300.19) from RBL Bank is secured by immovable property of the Company located at Plot no. 1B and 1C Sector 8C Haridwar, Uttarakhand and second pari passu charge by way of hypothecation on movable assets both present and future.

Term loan of Rs. Nil (March 31, 2021 Rs. 190.76) from HDFC Bank is secured by first pari passu charge on present and future stock and book debts of the Company.

All Above term loans carry interest rate in the range of 7.90% to 10.40% (previous year 7.90% to 10.40%) per annum.

(ii) Deferred payment liability in form of financing facility from siemens factoring private limited against purchase of software (refer note 37).

Repayment term :- Payable in 11 balance monthly installments, each of Rs. 0.67.

**Note 17 - Lease liabilities**

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Non current</b>		
Lease liabilities	175.21	199.11
	<b>175.21</b>	<b>199.11</b>
<b>(b) Current</b>		
Lease liabilities	45.99	45.38
	<b>45.99</b>	<b>45.38</b>

The movement in lease liabilities is as follows :

Particulars	September 30, 2021	March 31, 2021
Opening lease liabilities	244.50	169.99
Additions	-	130.69
Finance cost accrued during the year	10.21	21.36
Payment of lease liabilities	(33.51)	(63.31)
Deletions	-	(12.41)
Transferred to discontinued operations	-	(1.83)
<b>Closing lease liabilities</b>	<b>221.20</b>	<b>244.49</b>

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

Particulars	Period Ended September 30, 2021	Period Ended March 31, 2021
Less than one year	64.48	66.09
One to five years	190.61	225.60
More than five years	76.51	73.25
	<b>331.60</b>	<b>364.94</b>

The leases that the Company has entered with lessors are generally long term in nature and no changes in terms of those leases are expected due to Covid-19.

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 18 - Other financial liabilities (at amortised cost)**

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Non current</b>		
Security deposits taken from customers	41.70	41.31
	<b>41.70</b>	<b>41.31</b>
<b>(b) Current</b>		
Payable against property, plant and equipment	1.91	31.21
Interest accrued on borrowings	1.05	3.10
Employee and workers related payables	258.39	210.78
Unpaid dividends	0.57	0.57
Other payable*	-	107.24
	<b>261.92</b>	<b>352.90</b>

The Company exposure to currency and liquidity risks related to other financial liabilities are disclosed note 40.

\*Represents amount received from trade receivables of Trimaster Private Limited on their behalf.

**Note 19 - Provisions**

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Non current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (net) (refer note 41)	165.12	151.88
Provision for compensated absences		
- Earned leave	38.62	34.69
- Sick leave	10.59	10.95
Provision Long service award	5.95	5.09
Provision for Retirement gift scheme (refer note 41)	0.30	-
Provision for Post retirement medical gift (PRMB) (refer note 41)	1.27	-
	<b>221.85</b>	<b>202.61</b>
<b>(b) Current</b>		
<b>Provision for employee benefits</b>		
Provision for compensated absences		
- Earned leave	12.48	11.72
- Sick leave	3.00	3.01
Provision Long service award	1.25	1.34
Provision for foreseeable losses (refer note 36 (a))	151.30	119.22
Provision for contingencies (net of payments) (refer note 36 (b))	28.45	26.32
Provision for warranty (refer note 36 (c))	33.09	10.89
Provision for restoration cost	6.22	6.05
	<b>235.79</b>	<b>178.55</b>

**Note 20 - Other Liabilities**

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Current</b>		
<b>Contract liabilities</b>		
Advances from customers	226.11	237.49
Income received in advance against Specific or Combined contracts - unearned revenue	8.27	6.64
Payable to government authorities	246.35	111.81
	<b>480.73</b>	<b>355.94</b>

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

#### Note 21 - Current financial liabilities - Borrowings (at amortised cost)

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Loans repayable on demand</b>		
<b>From banks</b>		
<b>Secured *</b>		
Working capital demand loan	-	4.78
Short term loan	9.68	519.54
<b>From other parties</b>	6.33	-
	<b>16.01</b>	<b>524.32</b>

- \* Working capital demand loan are secured by:-
- first pari passu charge on whole of the current assets of the Company (both present and future);
  - pari passu charge on movable property, plant and equipment of the Company (both present and future);
  - first pari passu charge on the following immovable properties of the Company:-
    - land and building situated at A-7, A-8 and A-9, Sector - VIII, Noida, Phase I;
    - land and building situated at C-59, Noida, Phase II;
- Repayment term :- On demand.

The Company has filed quarterly returns/statement of current assets with banks for the period ended September 30, 2021 and year ended March 31, 2021. The details of differences between books of account and quarterly returns are as follows:

Quarter	Name of Bank	Particulars	Nature of securities	Amount as per books of account	Amount as reported in the quarterly return statement	*Amount of difference
September, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,426.97	2,441.66	(14.69)
		Inventories		1,986.48	1,914.11	72.37
		Trade Payables	Current liabilities	2,018.93	1,378.96	639.97
June, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,965.42	2,969.32	(3.90)
		Inventories		2,018.31	2,046.91	(28.60)
		Trade Payables	Current liabilities	2,253.70	1,593.00	660.70
March, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,581.41	3,346.20	(764.79)
		Inventories		1,872.89	2,037.11	(164.22)
		Trade Payables	Current liabilities	2,564.27	1,661.93	902.34
December, 2020	IDBI/SBI/SCB	Trade Receivables	Current assets	4,179.55	3,677.23	502.32
		Inventories		2,461.45	2,561.19	(99.74)
		Trade Payables	Current liabilities	2,541.79	2,137.29	404.49
September, 2020	IDBI/SBI/SCB	Trade Receivables	Current assets	3,911.72	3,449.31	462.41
		Inventories		2,412.90	2,491.64	(78.74)
		Trade Payables	Current liabilities	2,285.45	1,918.44	367.01
June, 2020	IDBI/SBI/SCB	Trade Receivables	Current assets	3,609.35	3,242.50	366.85
		Inventories		2,408.93	2,489.88	(80.94)
		Trade Payables	Current liabilities	1,825.10	1,683.35	141.75

\*The quarterly returns/statement of current assets submitted to banks as compared to books of accounts reflected differences in financial year 20-21 as the Company did not have a formal quarterly closing process for its books of account. The Company has initiated formal quarterly closing process for its books of account starting quarter ended June 2021. The reasons for variances in the stock statement submitted to the bank for the period from April 01, 2021 to September 30, 2021 majorly due to certain period ended book closure adjustments carried post filing of returns with banks and other reasons for variances are mentioned below. Moreover the Company has submitted the reconciliation statements for the period from April 01, 2021 to September 30, 2021 to the bankers.

Trade Receivables:- Variances were mainly on account of book closure entries.

Trade Payables:- Trade Payables include all types of creditors and goods in transit in the books of accounts. The Company has been submitting unsecured creditors excluding goods in transit as per past practice.

Inventories :- Goods in transit are included in the inventories in the books of accounts. The Company has been submitting inventories excluding goods in transit as per past practice.

#### Note 22 - Trade payables

Particulars	As at September 30, 2021	As at March 31, 2021
Outstanding dues to Micro and Small enterprises (refer note 35)	235.95	490.00
Outstanding dues to parties other than Micro and Small enterprises (refer note (iii) below)	1,782.98	2,074.27
	<b>2,018.93</b>	<b>2,564.27</b>

#### Trade Payable ageing as at September 30, 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	233.89	2.05	-	0.02	235.96
(ii) Others	1,765.27	6.87	2.22	8.61	1,782.97
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,999.16</b>	<b>8.92</b>	<b>2.22</b>	<b>8.63</b>	<b>2,018.93</b>

**Trade Payable ageing as at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	489.97	0.01	0.01	0.01	490.00
(ii) Others	2,056.80	7.30	2.08	8.09	2,074.27
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>2,546.77</b>	<b>7.31</b>	<b>2.09</b>	<b>8.10</b>	<b>2,564.27</b>

(i) All trade payables are current.

(ii) The Company exposure to currency and liquidity risks related to trade payables are disclosed note 40.

(iii) Trade payables includes Rs. 32.97 (Previous year Rs. 0.40) due to related parties. (refer note 37)

**Note 23 - Current tax liabilities**

Particulars	As at September 30, 2021	As at March 31, 2021
Advance income tax and TDS receivable	80.58	107.55
Less : Provision for income tax	(117.87)	(136.99)
	<b>(37.29)</b>	<b>(29.44)</b>

**C&S Electric Limited**

**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

**Note 24 - Revenue from operations**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>(a) Sale of products</b>		
<b>Manufactured goods</b>		
Domestic	3,539.62	6,613.07
Exports	1,167.93	1,723.94
	<b>4,707.55</b>	<b>8,337.01</b>
<b>Traded goods</b>		
Domestic	4.00	14.71
	<b>4.00</b>	<b>14.71</b>
	<b>4,711.55</b>	<b>8,351.72</b>
<b>(b) Sale of services</b>		
Sale of power, service, job work and commission income	5.16	11.24
<b>(c) Income from erection / work contracts</b>	55.73	114.67
<b>(d) Other operating revenues</b>		
Scrap sales	42.95	53.38
Export incentives	63.15	62.23
	<b>4,878.54</b>	<b>8,593.24</b>

**Note 25 - Other income**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>(a) Interest income</b>		
Interest income earned on financial assets that are not designated as at FVTPL		
- Financial assets that are designated at amortised cost		
(a) On overdue trade receivables	-	8.88
(b) On bank deposits	12.95	15.77
(c) On income tax refunds	-	0.17
(d) On financial assets	0.45	0.40
<b>(b) Other gains and losses</b>		
Net gain arising on financial assets designated at FVTPL	-	30.13
Net gain on disposal of investment	-	88.49
Mark to market gain on derivative contracts	-	35.45
<b>(c) Other non-operating income</b>		
(a) Liabilities / provisions no longer required written back	105.86	23.32
(b) Miscellaneous income	1.29	30.62
	<b>120.55</b>	<b>233.23</b>

**C&S Electric Limited**

**Notes forming part of the financial statements**

*(All amounts are in INR million except wherever stated otherwise)*

**Note 26 - Cost of material consumed**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Raw Materials</b>		
Opening inventories	1,042.63	1,106.64
Add:- Purchases	3,117.40	4,993.23
Less:- Closing inventories	(1,039.05)	(1,042.63)
	<b>3,120.98</b>	<b>5,057.24</b>

**Note 27 - Purchase of stock-in-trade**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Purchase of stock in trade	2.09	14.48
	<b>2.09</b>	<b>14.48</b>

**Note 28 - Changes in inventory of finished goods, work-in-progress and stock-in-trade**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Add: Opening stock</b>		
Finished goods	873.39	771.53
Work-in-progress	210.97	320.51
Stock-in-trade	4.44	2.79
<b>Less: Closing stock</b>		
Finished goods	(958.51)	(873.39)
Work-in-progress	(227.69)	(210.97)
Stock-in-trade	(3.34)	(4.44)
		-
Net (Increase) / decrease in inventory of finished goods, work-in-progress and stock-in-trade	(100.74)	6.03
	<b>(100.74)</b>	<b>6.03</b>

**C&S Electric Limited**

**Notes forming part of the financial statements**

*(All amounts are in INR million except wherever stated otherwise)*

**Note 29 - Employee benefits expense**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
(i) Salaries and wages	599.95	1,165.56
(ii) Contribution to provident and other funds (refer note 41 (b))	52.33	111.58
(iii) Staff welfare expenses	22.22	48.40
	<b>674.50</b>	<b>1,325.54</b>

**Note 30 - Finance cost**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
(a) Interest expense on		
- Term loans	9.40	47.27
- Vehicle loan	-	3.36
- Others	12.83	138.95
(b) Other borrowing costs	4.60	37.57
(c) Unwinding of discounts on financial assets	8.57	-
(d) Interest on lease liabilities (refer note 17)	10.21	18.66
	<b>45.61</b>	<b>245.81</b>

**Note 31 - Depreciation and amortisation expense**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
(a) Depreciation of Property, plant and equipment (refer note 2a)	102.70	270.35
(b) Depreciation on Right-of-use assets (refer note 2b)	28.62	51.70
(c) Amortisation of intangible assets (refer note 4)	3.21	3.88
	<b>134.53</b>	<b>325.93</b>

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 32 - Other expenses**

Particulars	For the period April 01, 2021 to September 30, 2021		For the year ended March 31, 2021	
Contract manufacturing and erection expenses (Including manpower charges)		214.76		389.79
Consumption of stores and spare parts		50.71		107.66
Power and fuel		61.97		99.85
Rent		5.36		3.59
Repairs and maintenance				
Buildings		6.93		44.54
Machinery		14.40		28.69
Other		48.09		109.61
Insurance		12.15		22.06
Rates and taxes		3.25		215.90
Travelling and conveyance		24.88		57.44
Legal and professional		57.60		190.92
Director's sitting fees		0.80		2.18
Payment to auditors (see note (i) below)		7.17		9.37
Communication		8.41		21.47
Vehicle running and maintenance		0.49		10.57
Bad trade receivables written off	4.50		43.11	
(Less) : Charged against provision for trade receivables	(4.50)	-	(35.58)	7.53
Provision for doubtful trade receivables (net)		76.73		504.27
Slow moving inventories written off	-		8.40	
(Less) : Charged against provision for Slow moving inventories	-	-	(8.40)	-
Charge for slow moving inventories		-		175.19
Quality analysis and certification expenses		31.02		30.31
Business promotion		19.66		52.60
Commission		5.39		21.70
Freight and forwarding		76.64		185.25
Printing and stationery		3.31		11.04
Expenditure on Corporate Social Responsibility (refer note 44)		10.71		13.97
Debit Balance (other than debtors) Written off		24.14		-
Net loss on foreign currency transactions and translation		0.46		70.81
Net loss on property, plant and equipment sold / discard (net)		0.08		3.72
MTM loss on contracts		3.21		-
Provision for foreseeable losses		32.08		119.22
Bank charges		18.03		29.11
Miscellaneous expenses		30.74		68.65
		<b>849.17</b>		<b>2,607.01</b>
Less: Capitalised with tools, jigs, dies and fittings (refer note 2(a))		(12.06)		(38.93)
		<b>837.11</b>		<b>2,568.08</b>

**Note (i)**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
(a) Statutory audit	5.75	6.75
(b) Tax audit	1.25	1.25
(c) Certifications	-	1.28
(d) Reimbursement of expenses	0.17	0.09
	<b>7.17</b>	<b>9.37</b>

**C&S Electric Limited**

**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

**Note 33 - Tax expenses**

(a) Income Tax Expense

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Current Tax:</b>		
Current Income Tax Charge	117.87	133.57
Current Income Tax for prior years	30.26	42.30
<b>Deferred Tax:</b>		
In respect of current year origination and reversal of temporary differences	(47.51)	(244.13)
<b>Total Tax Expense recognised in profit and loss account</b>	<b>100.62</b>	<b>(68.26)</b>

(b) Income Tax on Other Comprehensive Income

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Remeasurements of defined benefit plans	(0.57)	1.28
<b>Total Income tax charged to OCI</b>	<b>(0.57)</b>	<b>1.28</b>

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for September 30, 2021.

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Profit / (loss) before tax	285.01	(958.47)
Other Comprehensive items	1.14	(5.09)
<b>Total</b>	<b>286.15</b>	<b>(963.56)</b>
<b>Tax at statutory rate of 25.168% - (A)</b>	<b>72.02</b>	<b>(242.51)</b>
Tax effect of (income) /expenses that are not deductible/(deductible) for tax purposes	(2.23)	38.13
Tax effect of capital gain	-	93.29
Tax effect of change in statutory tax rate	-	1.01
Current Income Tax for prior years	30.26	42.29
Others	-	0.82
<b>Total (B)</b>	<b>28.03</b>	<b>175.53</b>
<b>At the effective income tax rate of 53.00% (A+B)</b>	<b>100.05</b>	<b>(66.98)</b>
Income tax reported in statement of profit and loss	100.62	(68.26)
Income tax reported in Other Comprehensive Income	(0.57)	1.28
<b>Total</b>	<b>100.05</b>	<b>(66.98)</b>

d) Movement in deferred tax

Particulars	Balance Sheet		Profit & Loss Account	
	As at September 30, 2021	As at March 31, 2021	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Deferred tax assets</b>				
Provision for doubtful debts and advances	177.34	161.81	15.54	89.12
Provision for loss allowance	38.08	30.00	8.08	30.00
Provisions made disallowed and allowed only on payment basis	94.54	88.33	6.21	(36.14)
Provision for Inventory allowance	44.86	49.84	(4.97)	36.27
Other temporary differences	80.34	70.65	9.69	(28.75)
Accelerated Depreciation for Tax purposes	(164.68)	(177.64)	12.96	154.91
Fair Valuation of financial instruments	-	-	-	-
<b>Deferred tax assets (net)</b>	<b>270.48</b>	<b>222.99</b>	<b>47.51</b>	<b>245.42</b>
Deferred tax recognised directly in Other Comprehensive income	-	-	-	-
<b>Total Deferred tax As shown in Balance sheet and Profit &amp; Loss Account</b>	<b>270.48</b>	<b>222.99</b>	<b>47.51</b>	<b>245.42</b>

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Reconciliation of deferred tax assets, net</b>		
Opening Balance	222.99	(22.43)
Tax income/(expense) recognised in profit or loss	47.51	245.42
Tax income/(expense) during the period recognised in OCI	-	-
<b>Deferred tax assets (net)</b>	<b>270.48</b>	<b>222.99</b>

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 34 - Contingent liabilities and commitments**

Particulars	As at September 30, 2021	As at March 31, 2021
(a) Contingent Liabilities		
Claims against the Company not acknowledged as debts		
Income tax matters	515.19	458.00
Sales tax matters	97.30	57.36
Entry tax matters	2.14	2.14
Others matters	7.75	9.90
	<b>622.38</b>	<b>527.40</b>
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	63.30	60.34
<b>Total</b>	<b>685.68</b>	<b>587.74</b>

(i) In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums/ authorities. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

(ii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2021. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**Note 35 - Dues to micro and small enterprises**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the MSMED Act, 2006 and interest due thereon is as under. Further, no interest during the period has been paid under the terms of the MSMED Act, 2006.

Particulars	As at September 30, 2021	As at March 31, 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the period:		
-- Principal	188.91	458.45
-- Interest	47.04	31.55
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
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 MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period (refer note 22).	47.04	31.55
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 enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	47.04	31.55

**Note 36 (a) - Provision for foreseeable losses**

A provision for expected loss on contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts, loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2021	As at March 31, 2021
Opening balance	119.22	-
Provision created during the period / year (refer note 32)	32.08	119.22
(Actualised) during the period / year	-	-
Closing balance	<b>151.30</b>	<b>119.22</b>

**C&S Electric Limited****Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 36 (b) - Provision for Contingency**

Management has reassessed exposure in respect of certain ongoing IR&LL litigations involving ex-employees and contractual labour, and basis external legal opinion has determined an amount of Rs 28.45 (Previous year Rs. 26.32) as a probable outflow in future in respect of such cases.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2021	As at March 31, 2021
Opening balance	26.32	-
Provision created during the period / year (refer note 32)	2.13	26.32
(Actualised) during the period / year	-	-
Closing balance	<b>28.45</b>	<b>26.32</b>

**Note 36(c) - Provision for warranty**

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2021	As at March 31, 2021
Opening balance	10.89	-
Provision created during the period / year (refer note 32)	22.20	10.89
(Actualised) during the period / year	-	-
Closing balance	<b>33.09</b>	<b>10.89</b>

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 37- Related party disclosures under Accounting Standard Ind-AS - 24 "Related Party Disclosures"**
**a) Holding Company: (W.e.f. March 01, 2021)**

Siemens Ltd.

**b) Ultimate Holding Company: (W.e.f. March 01, 2021)**

Siemens AG. Germany

**c) Subsidiaries and fellow Subsidiaries:**
**(Upto January 31, 2021)**

EON Telesystems Private Limited

C&amp;S (Nantong) Electric Limited

C&amp;S Electric U.K. Limited

C&amp;S Electric International B.V.

Eta-Com B NV

Eta-Com B.V.

Eta-Com Deutschland GmbH

Eta-Com UK Preedcrete Limited

Eta Bim NV

Eta-com Middle East (FZE)

**(W.e.f. March 01, 2021)**

Siemens Bangladesh Ltd

Siemens Sanayi Ve Ticaret Anonim Sirketi

Siemens factoring private limited

Siemens Technology &amp; Services Limited

**d) Joint Ventures:**

C&amp;S Himoinśa Private Limited (Upto January 31, 2021)

RS Components &amp; Controls (India) Limited (Upto January 31, 2021)

TC Electric Controls LLC (Dissolved on March 31, 2021)

**e) Key Managerial Personnel and their relatives :**
**Key Management Personnel (Upto February 28, 2021)**

Mr. R. N. Khanna

Mr. Ashok Khanna

Mr. Rishi Khanna

Mr. Anuj Khanna

Mr. Aditya Khanna

Ms. Radhika Kapoor

Mr. Prakash Kumar Chandraker (W.e.f. March 01, 2021)

Mr. Manav Adlakha (W.e.f. March 01, 2021)

**Relatives of Key Management Personnel (Upto February 28, 2021)**

Ms. Kanwal Khanna

Ms. Anju Khanna

**Enterprises over which Key Managerial Personnel and / or their relatives exercise significant influence :**
**(Upto February 28, 2021)**

R. N. Khanna &amp; Sons (HUF)

Ashok Khanna &amp; Sons (HUF)

Controls &amp; Switchgear Contactors Limited

Anuj Khanna (HUF)

Rishi Khanna (HUF)

Margdarshak Estates Private Limited

RAAS Controls

Hitkari Industries Limited

Trimaster Private Limited (Formerly known as Neeru Holdings Private Limited)

**Transactions with related parties :**

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Sales of goods &amp; services</b>		
Siemens Ltd	128.48	6.36
Siemens Sanayi Ve Ticaret Anonim Sirketi	72.38	-
C&S (Nantong) Electric Limited	-	34.39
C&S Himoinśa Private Limited	-	0.08
Eta-Com B NV	-	139.58
<b>Purchases of goods &amp; services</b>		
Siemens Ltd	3.91	1.36
C&S (Nantong) Electric Limited	-	93.68
C&S Himoinśa Private Limited	-	8.72
RS Components & Controls (India) Limited	-	14.18
Eta-Com B NV	-	9.28
<b>Testing expenses</b>		
Siemens Ltd	1.60	-
<b>Rent paid</b>		
Controls & Switchgear Contactors Limited	-	9.32
RAAS Controls	-	11.94
<b>Professional fee paid</b>		
Siemens Ltd	25.80	-
Siemens AG	0.39	-
Siemens Technology & Services Limited	4.31	-
C&S Electric U.K. Limited	-	32.96

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

<b>Expenses recovered / received</b>		
C&S Himoina Private Limited	-	1.56
RS Components & Controls (India) Limited	-	1.27
EON Telesystems Private Limited	-	0.01
Eta-Com B NV	-	0.24
<b>Purchase of property, plant and equipment</b>		
C&S Himoina Private Limited	-	2.73
C&S (Nantong) Electric Limited	-	0.34
<b>Commission / interest income</b>		
RS Components & Controls (India) Limited	-	7.69
C&S Electric International B.V.	-	13.34
<b>Standby letter of credit (SBLC) given*</b>		
C&S Electric International B.V.	-	1,030.07
<b>Standby letter of credit (SBLC) annulled</b>		
C&S Electric International B.V.	-	1,804.71
<b>Expenses reimbursed / incurred</b>		
Eta-Com B NV	-	5.37
<b>Investment made</b>		
EON Telesystems Private Limited	-	77.10
<b>Investments &amp; business transfer (discontinued operations)</b>		
Mr. R.N. Khanna	-	14.60
Mr. Ashok Khanna	-	14.60
Trimaster (Formerly known as Neeru Holdings Private Limited)	-	2,110.99
<b>Deferred payment liability repayment</b>		
Siemens factoring private limited	3.48	-

\*This does not include guarantee fee paid to bank of Rs. Nil (Previous year Rs. 17.93) for obtaining SBLC.

#### Closing balances with related parties :

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Balance outstanding as at year end</b>		
<b>Trade Receivables</b>		
Siemens Ltd	103.33	40.00
Siemens Sanayi Ve Ticaret Anonim Sirketi	72.82	-
TC Electric Controls LLC	29.45	29.45
Less: Provision created for TC Electric Controls LLC Outstanding	(26.14)	(29.45)
<b>Payable</b>		
Siemens Ltd	28.66	0.40
Siemens AG	0.39	-
Siemens Technology & Services Limited	3.92	-
<b>Loan Payable</b>		
Siemens factoring private limited	6.33	-

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
<b>Managerial Remuneration *</b>		
Mr. Prakash Kumar Chandraker	6.19	1.23
Mr. R.N. Khanna	-	9.47
Mr. Ashok Khanna	-	9.47
Mr. Rishi Khanna	-	7.78
Mr. Anuj Khanna	-	7.78
Ms. Radhika Kapoor	-	3.71

#### Category-wise break up of compensation to key management personal

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Short-term benefits	5.90	38.38
Post-employment benefits	0.29	1.04

\* Does not include provisions for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

#### Closing balances with related parties :

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Payables</b>		
Mr. Prakash Kumar Chandraker	1.05	1.23

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 38 - Financial Instruments by Categories - fair value and risk management**

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

Particulars	As at September 30, 2021		As at March 31, 2021	
	Amortised cost	FVTPL	Amortised cost	FVTPL
<b>Financial assets</b>				
Investments				
- Debentures	-	33.89	-	-
Trade receivables	2,426.97	-	2,581.41	-
Loans	1.95	-	1.60	-
Cash and cash equivalents and bank balances	638.75	-	1,563.19	-
Other financial assets	147.35	0.75	109.80	35.45
<b>Total financial assets</b>	<b>3,215.02</b>	<b>34.64</b>	<b>4,256.00</b>	<b>35.45</b>
<b>Financial liabilities</b>				
Borrowings	16.01	-	534.12	-
Trade payables	2,018.94	-	2,564.27	-
Other financial liabilities	303.62	-	394.21	-
Lease liabilities	221.20	-	244.50	-
<b>Total financial liabilities</b>	<b>2,559.77</b>	<b>-</b>	<b>3,737.10</b>	<b>-</b>

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, current account balances with group companies, trade payables and unpaid dividends at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

The following table presents fair value hierarchy of financial assets measured at fair value on a recurring basis:

Particulars	Level 1	Level 2	Level 3	Total
<b>As at September 30, 2021</b>				
<b>Financial Assets</b>				
Mark to market receivable on derivative contracts	33.89	0.75	-	<b>34.64</b>
<b>Total Financial assets</b>	<b>33.89</b>	<b>0.75</b>	<b>-</b>	<b>34.64</b>
<b>As at March 31, 2021</b>				
<b>Financial Assets</b>				
Mark to market receivable on derivative contracts	-	35.45	-	<b>35.45</b>
<b>Total Financial assets</b>	<b>-</b>	<b>35.45</b>	<b>-</b>	<b>35.45</b>

During the year ended September 30, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in to and out of Level 3 fair value measurements.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability.

**Note 39 - Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company monitors capital on the basis of debt equity ratio.

The Company's net debt to equity ratio was as follows:

Particulars	As at September 30, 2021	As at March 31, 2021
Total debt	16.01	534.12
Less: cash and cash equivalents and other bank balances	638.75	1,563.19
Net debt	(622.74)	(1,029.07)
Total Equity	4,222.47	4,037.51
Net debt to equity ratio	(0.15)	(0.25)

**Note 40 - Financial Risk Management**
**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The Board regularly reviews the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

#### The Company has exposure to the following risks arising from financial instruments

Credit risk;  
Liquidity risk; and  
Market risk.

#### (a) Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Company perform credit evaluation and defines credit limits for each customer/counter party. The Company also continuously reviews and monitors the same.

Particulars	As at September 30, 2021	As at March 31, 2021
Investments	33.89	-
Trade receivables	2,426.97	2,581.41
Loans	1.95	1.60
Cash and Cash Equivalent	508.86	1,436.28
Bank balances other than cash and cash equivalent	508.86	126.91
Others	148.10	145.25
	<b>3,628.63</b>	<b>4,291.45</b>

#### Trade Receivables, Loans and Security Deposits

The Company also makes general provision for lifetime expected credit loss based on its previous experience of write off in previous years.

The movement in the provision for doubtful debts is as under:

Particulars	As at September 30, 2021	As at March 31, 2021
<b>Opening Balance</b>	642.93	208.05
Provision made during the period (refer note 32)	76.73	524.35
Written off during the period (refer note 32)	(4.50)	(35.58)
Reclassification of provision into Liquidated damage	(15.49)	-
Transferred to discontinued operations	-	(53.88)
<b>Closing Balance</b>	<b>699.67</b>	<b>642.94</b>

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are primarily unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

#### (b) Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt and Equity).

Particulars	As at September 30, 2021	As at March 31, 2021
Total committed working capital limits from Banks	1,000.00	1,450.00
Utilized working capital limit	-	4.78
Unutilized working capital limit	1,000.00	1,445.22

#### (ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Exposure to liquidity risk**

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
<b>As at September 30, 2021</b>				
Non-derivatives				
Lease liabilities	45.99	160.15	15.06	221.20
Borrowing *	17.06	-	-	17.06
Trade payable	2,018.93	-	-	2,018.93
Other financial liabilities	260.87	-	41.70	302.57
<b>Total non-derivatives liabilities</b>	<b>2,342.85</b>	<b>160.15</b>	<b>56.76</b>	<b>2,559.76</b>
<b>As at March 31, 2021</b>				
Non-derivatives				
Lease liabilities	66.09	225.60	73.25	364.94
Borrowing *	530.65	-	-	530.65
Trade payable	2,564.27	-	-	2,564.27
Other financial liabilities	352.90	-	41.31	394.21
<b>Total non-derivatives liabilities</b>	<b>3,513.91</b>	<b>225.60</b>	<b>114.56</b>	<b>3,854.07</b>

\* Excludes utilized working capital limit disclosed above in Liquidity risk management.

There were no breaches of the covenants associated with the borrowings as at September 30, 2021 and none of the borrowings were called during the year.

**(c) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk, interest rate risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the Company.

**a. Foreign currency risk**

The Company operates internationally and the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through services in foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

**Sensitivity analysis**

with respect to the above unhedged exposure the sensitivity is as follows:

Particulars	As at September 30, 2021	As at March 31, 2021
USD sensitivity*		
INR/USD- Increase by 5%	26.81	24.22
INR/USD- Decrease by 5%	(26.81)	(24.22)
Euro sensitivity*		
INR/Euro- Increase by 5%	10.56	6.90
INR/Euro- Decrease by 5%	(10.56)	(6.90)

\* Holding all Other variable constant

**b. Interest rate risk**

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

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Particulars	As at September 30, 2021	As at March 31, 2021
Variable rate borrowings		
Short term	16.01	524.32
<b>Total variable rate borrowings</b>	<b>16.01</b>	<b>524.32</b>
Fixed rate borrowings		
Long term	-	9.81
<b>Total fixed rate borrowings</b>	<b>-</b>	<b>9.81</b>
<b>Total borrowings</b>	<b>16.01</b>	<b>534.13</b>

**(d) Sensitivity**

Variable interest rate loans are exposed to Interest rate risk, the impact on profit or loss before tax may be as follows:

Particulars	Impact on profit before tax	Impact on profit before tax
	September 30, 2021	March 31, 2021
Interest rate - increase by 1% *	0.01	13.83
Interest rate - decrease by 1% *	(0.01)	(13.83)

\* Holding all other variable constant

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

#### Note 41- Employee benefits plans

##### (a) Defined benefits plans

Gratuity scheme - This is a partly funded defined benefit plan for qualifying employees. The Company makes contributions to the group gratuity cum life insurance scheme of the Life Insurance Corporation of India. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. Long term leaves includes earned leaves and sick leaves. These have been provided on accrual basis, based on year end actuarial valuation.

The defined benefits plan exposes the company to the following risks:

##### Interest rate risk:

The defined benefits obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefits obligation will tend to increase.

##### Salary inflation risk:

Higher than expected increase in salary will increase the defined benefit obligation.

##### Demographic risk:

This is the risk of variability of result due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combinations of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financials analysis the retirement benefits of a short career employee typically costs less per year than a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefits obligations. The Company has not changed the processes used to manage its risks from previous years. The funds are managed by specialised team of Life Insurance Corporation of India.

Particulars	Gratuity	Gratuity	Medical*	Retirement Gift*
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2021	As at September 30, 2021
<b>Change in benefit obligation (A)</b>				
1. Present value of obligation as at the beginning of the period / year	214.02	230.52	-	-
2. Current service cost	9.49	20.47	0.34	0.08
3. Interest cost	6.19	13.25	0.09	0.02
4. Actuarial (gain) / loss	-	-	-	-
4a. Effect of changes in financial assumptions	1.48	21.78	-	-
4b. Effect of experience adjustments	(2.35)	(16.62)	-	-
4c. Effect of demographic assumptions	-	-	-	-
5. Benefits paid	(5.51)	(26.66)	-	-
6. Acquisition (credit) / cost	-	(28.72)	0.84	0.20
<b>7. Present value of obligation as at the end of the period / year</b>	<b>223.32</b>	<b>214.02</b>	<b>1.27</b>	<b>0.30</b>
<b>Change in plan assets (B)</b>				
1. Fair value of plan assets at the beginning of the period / year	62.15	74.37	-	-
2. Actual return on plan assets	2.03	4.11	-	-
3. Contribution by the Company	-	0.79	-	-
4. Benefits paid	(5.97)	(17.12)	-	-
<b>5. Fair value of plan assets at the end of the period / year</b>	<b>58.21</b>	<b>62.15</b>	-	-
<b>Liability recognized in the financial statement (A-B)</b>	<b>165.11</b>	<b>151.87</b>	<b>1.27</b>	<b>0.30</b>
<b>Composition of plan assets</b>				
Other than equity, debt, property and bank account *	58.21	62.15	-	-
<b>Main actuarial assumption</b>				
Discount rate	5.90%	6.00%	6.92%	6.92%
Expected rate of increase in compensation levels	6.00%	6.00%	-	10% for the first year, 8% thereafter
Expected medical cost increase rate	-	7.15%	5.00%	-
Expected rate of return on plan assets	-	-	-	-
Expected average remaining working lives of employees (years)	19.02	19.48	0.00	0.00
Average remaining working lives of employees with Mortality and Withdrawal (years)	6.00	6.00	0.00	0.00
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-				
Age upto 30 years	20.00%	20.00%	9.00%	9.00%
From 31 years and above	10.00%	10.00%	6.00%	6.00%
Retirement age (years)	58	58	58	58

##### Maturity profile of defined benefit obligation

Year	Gratuity	Medical*	Retirement Gift*
February 28, 2022	33.82	-	-
February 28, 2023	30.45	-	-
February 28, 2024	31.21	0.11	0.43
February 28, 2025	35.11	0.11	-
February 28, 2026	33.94	0.11	-
February 28, 2027 to February 28, 2031	158.05	0.60	-

**C&S Electric Limited**
**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

\* The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation of India are not available with the Company and have not been disclosed.

Particulars	Gratuity	Gratuity	Medical*	Retirement Gift*
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2021	As at September 30, 2021
<b>Cost for the period</b>				
1. Current service cost	9.49	20.47	0.34	0.08
2. Net interest cost	6.19	9.21	0.09	0.02
<b>Total amount recognised in profit or loss</b>	<b>15.68</b>	<b>29.68</b>	<b>0.43</b>	<b>0.10</b>
<b>Re-measurements recognised in Other comprehensive income</b>				
1. Actuarial gain on plan assets	0.27	0.07	-	-
2. Effect of changes in demographic assumptions	-	-	-	-
3. Effect of changes in financial assumptions	(1.48)	(21.78)	-	-
4. Effect of experience adjustments	2.35	16.62	-	-
<b>Total re-measurements included in Other Comprehensive Income</b>	<b>1.14</b>	<b>(5.09)</b>	-	-

**Sensitivity analysis of the defined benefit obligation**

The significant actuarial assumption for the determination of defined benefit obligations are discount rate, medical inflation rate and expected salary increase.

Particulars	Gratuity	Gratuity	Medical*	Retirement Gift*
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2021	As at September 30, 2021
Present value of Obligation at the end of the year	223.32	214.02	1.27	0.30
a) Impact of the change in discount rate				
i). Impact due to increase of 0.50%	(5.73)	(5.51)	(0.10)	(0.01)
ii). Impact due to decrease of 0.50%	6.03	5.81	0.11	0.01
b) Impact of the change in salary increase				
i). Impact due to increase of 0.50%	5.58	5.79	-	0.01
ii). Impact due to decrease of 0.50%	(5.35)	(5.54)	-	(0.01)
c) Impact of the change in medical inflation rate				
i). Impact due to increase of 0.50%	-	-	0.09	-
ii). Impact due to decrease of 0.50%	-	-	(0.08)	-

\*The defined benefit for medical and retirement gift were not applicable in financial year 2020-21

**(b) Defined contribution Plans**

The Company makes contribution towards employees' provident fund, superannuation fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Company's contribution to provident and pension fund	36.88	93.57
Company's contribution to superannuation fund	1.04	1.52
<b>Total</b>	<b>37.92</b>	<b>95.09</b>

**Note 42 - Segment Reporting**

The Company was set-up with the object of, inter alia, carrying on the manufacturing business of electrical switchgears, switchgear accessories, electrical and electronic control panels, switchboards, bus ducts, bus trunkings and its allied products. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

**Note 43 - Earning per share**

Particulars		For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Profit for the year from continuing operations attributable to equity shares	Rs. in million	184.39	(657.63)
Profit for the year from discontinued operations attributable to equity shares	Rs. in million	-	(232.58)
Profit for the year from total operations attributable to equity shares	Rs. in million	184.39	(890.21)
Weighted average number of Basic and diluted equity shares outstanding	Numbers	44,268,062	44,268,062
Basic earnings per share from continuing operations (face value - Rs. 10 per share)	Rupees	4.17	(14.86)
Basic earnings per share from discontinued operations (face value - Rs. 10 per share)	Rupees	-	(5.25)
Basic earnings per share from total operations (face value - Rs. 10 per share)	Rupees	4.17	(20.11)

**Note 44 - Corporate Social Responsibility (CSR) expenditure**

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has contributed Rs 10.66 as specified in schedule VII of the Companies Act, 2013.

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
a) The gross amount required to be spent by the Company for CSR expenditure.	10.61	13.97
b) The amount spent (already paid for purposes other than construction / acquisition of any asset)	10.66	7.97
c) Shortfall at the end of the year	-	6.00
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-

**C&S Electric Limited**

**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

**Nature & party wise transaction**

CSR project or activity identified	Sector	Location of the project	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
VVKI (Aparajita Sewa Project)	Employment Enhancing Vocational Skills	Kalkaji, New Delhi	-	0.30
SOS India	Education, Nutrition	Haridwar	-	2.33
Aparajita Mahila Samati	Children Education & Nutrition	Delhi	-	0.23
Himalayan School Society	Promoting Education	Uttarakhand	-	0.90
Himalayan School Society	Vocational Training For 10 Female	Uttarakhand	-	0.60
Serve Samman	Vocational Training For Women & Covid 19	U.P/Haridwar	-	1.10
LSDSS	Lysosomal Storage Disorders Support Society	Delhi	-	0.45
The Teamwork Fine Arts Society	Building Emotionally Safe Spaces For Children & Youth	Delhi	-	0.35
Shiv Shakti sewa Sammiti	Covid-19 Community Help Csr Activity - Uk	Uttarakhand	-	0.54
Tata Memorial Center	Promoting Health Care	Mumbai	-	0.71
Serve Samman vocational training center	Covid-19 Community Help Csr Activity - Up	Uttar Pradesh	-	0.46
Supply of Oxygen ventilators, for countering COVID-19	Promoting Health Care	Uttar Pradesh	6.62	-
Supply of Oxygen ventilators, for countering COVID-19	Promoting Health Care	Uttarakhand	3.31	-
COVID	Promoting Health Care	West bengal	0.15	-
CSR administrative cost	Administrative Cost	Uttar Pradesh	0.58	-
		<b>Total</b>	<b>10.66</b>	<b>7.97</b>

There were no amount spent for construction / acquisition of any capital asset.

**Note 45 - Ratios**

**(i) Current Ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Current assets	5,511.39	6,288.15
Current liabilities	3,096.66	4,050.80
Current ratio	1.78	1.55
<b>% Change from previous period</b>	<b>14.7%</b>	

**(ii) Debt-Equity Ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Total debt	16.01	534.12
Total Equity	4,222.47	4,037.51
Net debt to equity ratio	0.00	0.13
<b>% Change from previous period</b>	<b>-97.1%</b>	

**(iii) Debt Service Coverage Ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Earning available for debt service*	400.28	708.06
Total Debt	598.09	2,434.44
Debt Service Coverage Ratio	0.67	0.29
<b>% Change from previous period</b>	<b>130.10%</b>	

\* Including interest on lease liabilities and Unwinding of discounts on financial assets.

**(iv) Return on Equity Ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Profit after tax from continuing operations	184.39	(657.63)
Total Equity	4,222.47	4,037.51
Return on Equity Ratio	4.37%	-16.29%
<b>% Change from previous period</b>	<b>-126.81%</b>	

**(v) Inventory turnover ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Cost of goods sold	3,022.32	5,077.74
Average inventory	1,929.68	2,354.91
Inventory turnover ratio	1.57	2.16
<b>% Change from previous period</b>	<b>-27.36%</b>	

**(vi) Trade Receivables turnover ratio**

Particulars	As at September 30, 2021	As at March 31, 2021
Net Sales	4,772.44	8,477.63
Average trade receivables	2,504.19	3,534.24
Trade Receivables turnover ratio	1.91	2.40
<b>% Change from previous period</b>	<b>-20.55%</b>	

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

#### (vii) Trade payables turnover ratio

Particulars	As at September 30, 2021	As at March 31, 2021
Purchases	3,119.49	5,007.70
Average trade payable	2,291.60	2,748.69
Trade payables turnover ratio	1.36	1.82
<b>% Change from previous period</b>	<b>-25.28%</b>	

#### (viii) Net working capital turnover ratio

Particulars	As at September 30, 2021	As at March 31, 2021
Current assets	5,511.39	6,288.15
Less: Current liabilities	3,096.66	4,050.80
Net Working Capital	2,414.73	2,237.35
Net Sales	4,772.44	8,477.63
Net capital turnover ratio	0.51	0.26
<b>% Change from previous period</b>	<b>91.72%</b>	

#### (ix) Net profit ratio

Particulars	As at September 30, 2021	As at March 31, 2021
Profit after tax from continuing operations	184.39	(657.63)
Net Sales	4,772.44	8,477.63
Net profit ratio	3.86%	-7.76%
<b>% Change from previous period</b>	<b>-149.81%</b>	

#### (x) Return on Capital employed

Particulars	As at September 30, 2021	As at March 31, 2021
EBIT	330.61	(564.12)
Total equity	4,222.47	4,037.51
Less: Intangible assets	(25.84)	(27.85)
Total Debt	16.01	534.12
Total Capital employed (Tangible net worth+ total debt)	4,212.63	4,543.78
Return on Capital employed	7.85%	-12.42%
<b>% Change from previous period</b>	<b>-163.21%</b>	

#### Reason for change more than 25%

In order to align with the accounting year of the parent Company i.e.; Siemens Limited with C&S Electric Limited, the Company has changed its accounting year from "1st day of April – 31st day of March" to "1st day of October – 30th day of September" each year. The Company has got the approval for the same vide approval dated October 29, 2021. Therefore, the figures for current period are of six months as compared to previous year that is presented for twelve months. Accordingly it is not practicable to provide meaningful reasons for variations.

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 46 - Interest in joint ventures**

The Company has interests in the following jointly controlled entities:

Name of company	C&S Himoina Private Limited
Principal activity	Manufacturing business of silent DG sets
Principal place of business and country of incorporation :	India
Proportion of ownership interest and voting rights held by the Company :	50%
	Audited
Particulars	For the period April 01, 2020 to January 31, 2021
Revenue	488.27
Profit / (loss) from continuing operations **	(25.55)
Post-tax profit / (loss) from discontinuing operations	-
Other comprehensive income	(0.27)
Total comprehensive income	(25.82)
** The above amounts of profit / (loss) include the following :	
Depreciation and amortisation	11.42
Interest income	0.29
Finance cost	4.43
Income tax expense / (income)	-

Name of company	TC Electric Controls LLC
Principal activity	Business of Electrical controls components
Principal place of business and country of incorporation :	USA
Proportion of ownership interest and voting rights held by the Company :	50%
	Audited
Particulars	As at March 31, 2021
Non current assets	9.97
Current assets *	3.83
Non current liabilities	-
Current liabilities	29.26
* The above amounts of assets and liabilities include the following :	
Cash and cash equivalents	3.83
Current financial liabilities (excluding trade payables and provisions)	-
Non current financial liabilities (excluding trade payables and provisions)	-

Particulars	For the year ended March 31, 2021
Revenue	4.62
Profit / (loss) from continuing operations **	(6.93)
Post-tax profit or loss from discontinuing operations	-
Other comprehensive income	-
Total comprehensive income	(6.93)
** The above amounts of Profit / (loss) include the following :	
Depreciation and amortisation	0.78
Interest income	-
Interest expenses	-
Income tax expense / (income)	-

The Company has not disclosed the information related to RS Components &amp; Controls (India) Limited in view of insignificant investment in the company for the purpose of Ind-AS 28.

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

#### Note 47 - Discontinued operations

On 31 January 2021, pursuant to the business transfer agreement dated 18 February 2020, executed between the Company and Trimaster Private Limited, The Company has transferred certain businesses, investments and loans as a going concern on a slump sale basis for a consideration of Rs. 2,110.99. Management has eliminated from the results of the discontinued operations the inter segment sales and cost thereof made prior to its disposal.

The Company has presented certain businesses as discontinued operations for the year ended 31 March 2021 in accordance with Ind AS 105 (Non current assets held for sale & discontinued operations) and accordingly reclassified the comparative financial information of the previous year prescribed as below:

#### Revenue, expenses and net cash flows relating to discontinued operations is as follows:

Particulars	For the year ended March 31, 2021
<b>Income</b>	
Revenue from operations	2,093.25
Other income	20.24
<b>Total Income</b>	<b>2,113.49</b>
<b>Expenses</b>	
Cost of materials consumed	1,070.39
Purchases of stock-in-trade	10.07
Changes in inventories of finished goods, stock-in-trade and work in progress	474.41
Employee benefits expense	202.39
Finance costs	3.71
Depreciation and amortisation expense	47.92
Other expenses	453.14
<b>Total expenses</b>	<b>2,262.03</b>
<b>(Loss)/ profit before tax</b>	<b>(148.54)</b>
Current tax	84.04
Deferred tax charge / (credit)	84.04
<b>(Loss)/ profit for the year</b>	<b>(232.58)</b>
<b>Other comprehensive income / (Expense) (OCI)</b>	
<b>Items that will not be reclassified to profit or loss</b>	
Remeasurements of the defined benefit liabilities	(0.19)
Income tax relating to items that will not be reclassified to profit or loss	0.05
<b>Other comprehensive income</b>	<b>(0.14)</b>
<b>Total comprehensive income for the year (VII + VIII)</b>	<b>(232.72)</b>

#### The net cash flow attributable to the discontinued operations are as follows:

Particulars	For the year ended March 31, 2021
Net Cash used in operating activities	(11.63)
Net Cash used in investing activities	1,464.09
Net Cash used in financing activities	(10.94)

During the previous year, the Company has sold the discontinued operations for a consideration of Rs. 1463.69 at a loss of Rs. 154.82.

**C&S Electric Limited**
**Notes forming part of the financial statements**
*(All amounts are in INR million except wherever stated otherwise)*
**Note 48 - Disclosures w.r.t. Revenue from Contracts with Customers under Ind AS 115**

(i) Out of the total revenue recognised under Ind AS 115 during the period, Rs. 37.64 is recognised over a period of time and Rs. 4734.81 is recognised at a point in time.

(ii) Reconciliation between revenue recognized and contract price:

Particulars	For the period April 01, 2021 to September 30, 2021	For the year ended March 31, 2021
Contract Price	4,888.42	8,669.17
Less: Reductions towards variable consideration components *	(115.98)	(191.53)
<b>Revenue</b>	<b>4,772.44</b>	<b>8,477.64</b>

\* Reduction towards variable consideration components include discounts, and Schemes, etc.

(iii) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows -

Particulars		Unexecuted Order Value	Expected conversion in revenue	
			Up to 1 year	More than 1 year
Transaction price allocated to the remaining performance obligation	As at September 30, 2021	7,052.67	5,544.57	1,508.10
	As at March 31, 2021	5,208.34	3,389.94	1,818.40

(iv) Contract balances

The following table presents the information of trade receivables / unbilled revenue and contract liabilities arising out of contract with customers under Ind AS 115.

Particulars	As at September 30, 2021	As at March 31, 2021
<b>(a) Trade receivables (refer Note 6)</b>		
Trade receivable with respect to revenue from contracts with customers		
From related parties (refer Note 37)	179.46	40.00
From others	2,947.18	3,184.34
Less: Allowance for doubtful debts	(699.67)	(642.93)
<b>Total trade receivables</b>	<b>2,426.97</b>	<b>2,581.41</b>
<b>(b) Unbilled revenue (refer Note 7(b))</b>	<b>9.12</b>	<b>16.30</b>
<b>(c) Contract liabilities (refer Note 20)</b>	<b>234.38</b>	<b>244.13</b>

**Unbilled revenue (refer Note 7(b))**

Particulars	As at September 30, 2021
<b>Opening balance as on April 01, 2021</b>	<b>16.30</b>
Increase during the year	9.12
Billed during the year	(16.30)
<b>Closing balance as on September 30, 2021</b>	<b>9.12</b>
Analysed as :	
Current	9.12
Non-current	-
<b>Total</b>	<b>9.12</b>

**Contract liabilities (refer Note 20)**

Particulars	As at September 30, 2021
<b>Opening balance as on April 01, 2021</b>	<b>244.13</b>
Revenue recognised during the year	(103.71)
Increase in customer advances during the year	92.33
Increase in unearned income during the year	1.63
<b>Closing balance as on September 30, 2021*</b>	<b>234.38</b>
Analysed as :	
Current	234.38
Non-current	-
<b>Total</b>	<b>234.38</b>

\*Management expects that the entire transaction price allocated to the unsatisfied contracts as at the end of the reporting period will be recognised as revenue during the next reporting period.

**Note 49 - Judgement of Supreme Court - Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act')**

The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc. within the expression 'basic wages' for the purpose computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the financial statements of the Company should not be material.

**Note 50** - Pursuant to the share purchase agreement dated January 24, 2020 entered in between the erstwhile promoters, Siemens Limited and the Company, on March 1, 2021, Siemens Limited acquired 99.22% equity share capital of the Company from its promoters for a consideration of Rs. 21,000, on cash free / debt free basis on terms and conditions that are mutually agreed between the parties to the transaction. The final settlement of the transaction price between Siemens Limited and the erstwhile promoters has not yet been settled. Based on the assessment of the current scenario, the management believes there would not be any material impact on the current financial statement.

## C&S Electric Limited

### Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

**Note 51** - During the previous year, the Company has inadequate profit, calculated as per Section 198 of the Companies Act, 2013 ("Act").

Pursuant to the provisions of Section 197(3) of the Act read with Schedule V thereto, if, in any financial year, a company has no profits or its profits are inadequate, the company shall not pay to its directors, including any managing or whole-time director or manager or any other non-executive director, including an independent director, by way of remuneration any sum exclusive of any fees payable to directors under sub-section (5) hereunder except in accordance with the provisions of Schedule V.

As per Schedule V, Part II, Section II, Part A where in any financial year during the currency of tenure of a managerial person or other director, a company has no profits or its profits are inadequate, it may, pay remuneration to the managerial person or other director not exceeding, the limits prescribed thereunder. The Company has paid remuneration to its Directors within the limits as prescribed thereunder, for FY 2020-21.

Further, as per the requirements of Section 197 of the Act read with Schedule V, the approval of Board of Directors and Nomination and Remuneration Committee and the Members is required where Company has no profits or its profits are inadequate. The Nomination and Remuneration Committee and Board of Directors of the Company at their respective Meetings held on 26th August, 2021 have approved the payment of Managerial Remuneration in FY 2020-21. and the same has been approved by members at the 50th Annual General Meeting of the Company on September 23, 2021.

### Note 52 - Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international and domestic transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international and specified domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation, if any.

**Note 53** - In view of the pandemic relating to COVID - 19, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of property, plant and equipment, trade receivables, inventories and other assets, for any possible impact on the Financial Statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial reporting controls etc. and is of the view that based on its present assessment this situation does not materially impact the financial statements.

However, the actual impact of COVID - 19 on the financial statements may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

**Note 54** - In order to align with the accounting year of the parent Company i.e.; Siemens Limited with C&S Electric Limited, the Company has changed its accounting year from "1st day of April – 31st day of March" to "1st day of October – 30th day of September" each year. The Company has got the approval for the same vide approval dated October 29, 2021. Further the figures for the financial year ended March 31, 2021 includes the figures from discontinuing operations upto January 31, 2021 (refer note 47). Accordingly, the amounts presented in the financial statements are not entirely comparable.

**Note 55** - Previous year's figures have been regrouped/reclassified in compliance with the revised schedule III wherever necessary to confirm the current year classification.

**Note 56** - The Company did not entered into any transaction with Companies struck off from ROC records for the period ended september 30, 2021 and March 31, 2021.

### Note 57 -

(a) No funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 58 - Approval of financial statements** - The financial statements were approved by the Board of Directors on January 27, 2022.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No.: 101248W/ W-100022

**Adhir Kapoor**

Partner

Membership No. : 098297

For and on behalf of the Board of Directors

**C&S Electric Limited**

**Prakash Kumar Chandraker**

Managing Director & CEO

DIN No. 05150366

**Siddharth Kasera**

Director

DIN No. 09086454

**Manav Adlakha**

Chief Financial Officer

PAN.: AEIPA4199N

**Anup Sobti**

Company Secretary

ACS No.: 16466

Place : New Delhi

Date : 27 January 2022

Place : New Delhi

Date : 27 January 2022

# ANNUAL REPORT

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