

Pawan Puri & Associates

(Chartered Accountants)

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Lajpat Nagar Station, New Delhi- 10014



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INDEPENDENT AUDITORS' REPORT

To the Members of Railway Energy Management Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Railway Energy Management Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31st March, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including 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 read with relevant rules issued there under. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure '1'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of section 143(5) of the Companies Act, 2013, we give in the **Annexure '2'** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:

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;

- (a) 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;
- (b) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (d) In view of exemption given vide notification no G.S.R. 463 (E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of section 164 (2) of

the Act regarding disqualification of Directors, are not applicable to the Company;

- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3"; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation as at 31st March, 2019 on its financial position in its standalone financial statements, refer note No 2.28.2 of the notes to accounts of standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There was no amounts were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pawan Puri & Associates
CHARTERED ACCOUNTANTS
Firm Registration No. 005950N


(ETI BHATIA)
PARTNER

M. No. 511542
PLACE: New Delhi
DATED: 29-04-2019



ANNEXURE - I TO THE INDEPENDENT AUDITORS REPORT

Re.: RAILWAY ENERGY MANAGEMENT COMPANY LIMITED

The Annexure '1' Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019:

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

b) The fixed assets of the Company have been physically verified by the management during the year and no discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of its assets.

c) The title deeds of sub - lease hold land and Building is in the name of the Company.
- ii. The nature of business of the Company does not require it to have any inventory. Accordingly, reporting under clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Hence, reporting under clause (a) to (c) of paragraph 3(iii) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans, guarantee or provide security to Directors or any other person in whom Director is interested covered under provisions of section 185 and 186 of the Companies Act 2013. Therefore the paragraph 3(iv) of the order is not applicable to the company.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Therefore the paragraph 3(v) of the order is not applicable to the company.



- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the Company. Thus reporting under clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- vii. a) According to information and explanations given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Income Tax, Service Tax, Value Added Tax, Goods & Service Tax (GST) and other statutory dues with the appropriate authorities applicable to the Company.
- b) According to information and explanations given to us, there are no disputed dues of Income Tax, Service Tax, Value added Tax, Goods & Service Tax (GST) and other statutory dues which have not been deposited.
- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of dues of term loan availed from Indian bank.
- ix. According to the records of the company examined by us and as per the information and explanations given to us, term loans taken from Indian bank for setting up Wind Mill plant at Jaisalmer have been applied for the purpose for which it has been sanctioned by bank. Apart from this, the company has not raised any money by way of public issue/follow on offer (including debt document).
- x. According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi. In view of exemption given vide notification no G.S.R. 463 (E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Company.
- xii. The Company is not a Nidhi Company. Hence, reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with sections 188 and 177 of Companies Act, 2013 and the details have been disclosed in the Financial Statements under note 2.2 of Notes to Accounts of financial statements as required by the applicable accounting standards and Companies Act, 2013.



- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and in our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For Pawan Puri & Associates
CHARTERED ACCOUNTANTS
Firm Registration No. 005950N



(ETI BHATIA)
PARTNER

M. No. 511542

PLACE: New Delhi

DATED: 29-04-2019



ANNEXURE - 2 TO THE INDEPENDENT AUDITORS REPORT

Re.: RAILWAY ENERGY MANAGEMENT COMPANY LIMITED

Based on the verification of Records of the Company and information and explanations given to us, we report that:

- a) The Company is using Tally ERP-9 software to process all its accounting transactions. There is no accounting transaction which is processed outside Tally ERP-9 software.
- b) There are no cases of restructuring of existing loan, waiver/write off of debts, loans/ interest etc. during the year.
- c) During the year, Company has not received any fund for specific scheme from Central/State agencies.

For Pawan Puri & Associates

CHARTERED ACCOUNTANTS

Firm Registration. No. 005950N



(ETI BHATIA)

PARTNER

M. No. 511542

PLACE: New Delhi

DATED: 29-04-2019



ANNEXURE - 3 TO THE INDEPENDENT AUDITORS REPORT

Re.: RAILWAY ENERGY MANAGEMENT COMPANY LIMITED

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

We have audited the internal financial controls over financial reporting of **Railway Energy Management Company Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies; the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

According to the information and explanation given to us, in our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Pawan Puri & Associates
CHARTERED ACCOUNTANTS
Firm Registration No. 005950N



(P. BHATIA)
PARTNER

M. No. 511542

PLACE: New Delhi

DATED: 29-04-2019





RAILWAY ENERGY MANAGEMENT COMPANY LIMITED

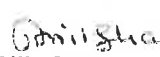
BALANCE SHEET AS AT 31ST MARCH, 2019

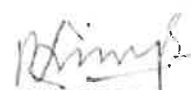
(₹ in Lakhs)

PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	2.01	13,828.39	13,825.34
INTANGIBLE ASSETS	2.02	0.38	0.77
FINANCIAL ASSETS			
OTHER FINANCIAL ASSETS	2.03	1.23	203.23
OTHER NON CURRENT ASSETS	2.04	401.96	330.28
		<u>14,231.96</u>	<u>14,359.62</u>
CURRENT ASSETS			
FINANCIAL ASSETS			
TRADE RECEIVABLES	2.05	1,579.66	924.55
CASH AND CASH EQUIVALENTS- OWNED FUND	2.06.1	1,195.74	149.36
CASH AND CASH EQUIVALENTS- CLIENT FUND	2.07.1	0.16	49.15
OTHER BANK BALANCES- OWNED FUND	2.06.2	1,674.70	2,267.74
OTHER BANK BALANCES- CLIENT FUND	2.07.2	1,335.73	-
OTHER FINANCIAL ASSETS	2.08	703.37	600.17
OTHER CURRENT ASSETS	2.09	48.77	37.76
		<u>6,538.13</u>	<u>4,028.73</u>
TOTAL ASSETS		<u>20,770.09</u>	<u>18,388.35</u>
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	2.10	7,000.00	7,000.00
OTHER EQUITY	2.11	7,622.66	4,584.45
		<u>14,622.66</u>	<u>11,584.45</u>
LIABILITIES			
NON CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWING	2.12	3,993.23	4,765.29
DEFERRED TAX LIABILITIES(NET)	2.13	213.64	529.97
		<u>4,206.87</u>	<u>5,295.26</u>
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
TRADE PAYABLES			
-TOTAL OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISES		-	-
-TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISE AND SMALL ENTERPRISES	2.14	106.45	103.99
OTHER FINANCIAL LIABILITIES	2.15	1,770.62	1,196.08
OTHER CURRENT LIABILITIES	2.16	63.49	207.83
CURRENT TAX LIABILITIES(NET)	2.17	-	0.74
		<u>1,940.56</u>	<u>1,508.64</u>
TOTAL EQUITY AND LIABILITIES		<u>20,770.09</u>	<u>18,388.35</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS			
	1&2		

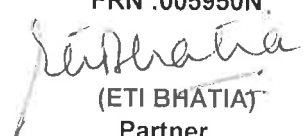

SUNIL KUMAR SINGH
 Chief Finance Officer
 M.No. :ACA 500175


RAJEEV MEHROTRA
 Chairman
 DIN : 01583143


ANIL GHAI
 DIRECTOR
 DIN : 07669940


RANJAN KUMAR TIWARY
 COMPANY SECRETARY
 M.No. :ACS 28116

As per our report of even date attached

For Pawan Puri & Associates
 Chartered Accountants
 FRN :005950N

 (ETI BHATIA)
 Partner
 M.No : 511542

Place: New Delhi
 Dated: 29.04. 2019

RAILWAY ENERGY MANAGEMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

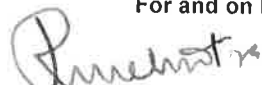
(₹ in Lakhs)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
REVENUE			
REVENUE FROM OPERATIONS	2.18	8,148.33	6,562.88
OTHER INCOME	2.19	154.97	316.67
TOTAL REVENUE		<u>8,303.30</u>	<u>6,879.55</u>
EXPENDITURE			
FEE FOR SERVICE OBTAINED	2.20	894.88	753.16
SALARY REIMBURSEMENT	2.26.2.1	119.64	101.73
FINANCE COSTS	2.21	438.37	749.90
WIND MILL EXPENSE	2.22 & 2.38	680.00	558.83
DEPRECIATION & AMORTISATION EXPENSES	2.01 & 2.02	620.87	614.73
OTHER EXPENSES	2.23	603.32	178.72
TOTAL EXPENDITURE		<u>3,357.08</u>	<u>2,957.07</u>
PROFIT BEFORE TAX		<u>4,946.22</u>	<u>3,922.48</u>
TAX EXPENSES			
- CURRENT TAX- (MAT)		(1,128.50)	(837.87)
- DEFERRED TAX (NET)	2.24	(812.16)	(897.95)
- LESS: MAT CREDIT ENTITLEMENT		1,128.50	837.87
PROFIT AFTER TAX		<u>4,134.06</u>	<u>3,024.53</u>
OTHER COMPREHENSIVE INCOME			
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>4,134.06</u>	<u>3,024.53</u>
EARNING PER SHARE (EQUITY SHARE OF ₹ 10/- EACH) - BASIC & DILUTED	2.27	₹ 5.91	4.32
WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED IN COMPUTING EARNING PER SHARE		700,00,000.00	700,00,000.00

For and on behalf of the Board



SUNIL KUMAR SINGH
Chief Finance Officer
M.No. : ACA 500175



RAJEEV MEHROTRA
Chairman
DIN : 01583143



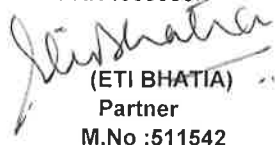
ANIL GHAI
DIRECTOR
DIN : 07669940



RANJAN KUMAR TIWARY
COMPANY SECRETARY
M.No. : ACS 28116

As per our report of even date attached

For Pawan Puri & Associates
Chartered Accountants
FRN :005950N

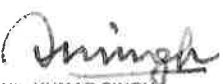

(ETI BHATIA)
Partner
M.No :511542

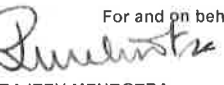


Place: New Delhi
Dated: 29.04. 2019


RAILWAY ENERGY MANAGEMENT COMPANY LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS	YEAR ENDED		(₹ in Lakhs)
	31.03.2019	31.03.2018	
CASH FLOW FROM OPERATING ACTIVITIES			
NET PROFIT BEFORE TAX	4,946.22	3,922.48	
ADJUSTMENTS FOR:			
- DEPRECIATION AND AMORTIZATION	620.87	614.73	
- INTEREST FROM FDs/OTHERS	(152.90)	(249.28)	
- FINANCE COST	438.37	749.90	
- PROVISION AND IMPAIRMENT EXPENSES	290.24	-	
OPERATING PROFIT BEFORE CHANGES IN ASSETS AND LIABILITIES	6,142.80	5,037.83	
CHANGE IN ASSETS AND LIABILITIES:			
ADJUSTMENTS FOR (INCREASE)/DECREASE IN OPERATING ASSETS:			
- TRADE RECEIVABLES	(945.35)	(221.45)	
- OTHER FINANCIAL ASSETS AND OTHER CURRENT ASSETS	(129.17)	(713.97)	
ADJUSTMENTS FOR INCREASE/(DECREASE) IN OPERATING LIABILITIES:			
- TRADE PAYABLES	2.46	86.14	
- STATUTORY DUES	(73.15)	25.21	
- OTHER FINANCIAL LIABILITIES, OTHER CURRENT LIABILITIES AND PROVISIONS	(205.31)	(496.81)	
CASH GENERATED FROM OPERATIONS	4,792.28	3,716.95	
- INCOME TAX PAID	(1,202.13)	(837.13)	
NET CASH FROM OPERATING ACTIVITIES	3,590.15	2,879.82	
CASH FLOWS FROM INVESTING ACTIVITIES			
- PURCHASE/CONSTRUCTION OF FIXED ASSETS	(623.53)	(6.36)	
- DEPOSITS NOT CONSIDERED AS CASH AND CASH EQUIVALENTS	209.26	(39.48)	
- INTEREST ACCRUED NOT CONSIDERED AS CASH AND CASH EQUIVALENTS	(0.09)	13.84	
- ADVANCES TO RELATED PARTY	19.69	(40.29)	
- INTEREST INCOME	152.90	249.28	
NET CASH FROM INVESTING ACTIVITIES	(241.77)	176.99	
CASH FLOW FROM FINANCING ACTIVITIES			
- REPAYMENT OF TERM LOAN	(772.06)	(2,811.10)	
- INTEREST ACCRUED AND DUE ON BORROWINGS	(19.41)	(32.41)	
- FINANCE COST	(438.37)	(749.90)	
- DIVIDEND PAID	(909.00)	(368.00)	
- DIVIDEND TAX PAID	(186.85)	(74.92)	
NET CASH FROM FINANCING ACTIVITIES	(2,325.69)	(4,036.33)	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,022.69	(979.52)	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	149.36	1,128.88	
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,172.05	149.36	
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
CASH AND CASH EQUIVALENTS- OWNED FUND	2.06.1	1,195.74	149.36
ADD : INTEREST ACCRUED ON BANK DEPOSITS HAVING MATURITY WITHIN 3 MONTHS FROM ACQUISITIONS' DATE	2.08	0.22	-
LESS: BOOK OVERDRAFT	2.15	(23.91)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,172.05	149.36
RECONCILIATION OF FINANCIAL LIABILITIES			
PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
LONG TERM BORROWING AT THE BEGINNING OF YEAR	2.12	5,531.75	8,342.85
- CASH FLOWS (REPAYMENT)		(772.06)	(2,811.10)
- NON CASH CHANGES		-	-
CLOSING LONG TERM BORROWING		4,759.69	5,531.75
SUPPLEMENTARY INFORMATION:			
RESTRICTED CASH BALANCE (REFER NOTE 2.06.2 & 2.06.3)		10.40	1.00
COMPONENTS OF CASH AND CASH EQUIVALENTS (REFER NOTE 2.06.1)		1,195.74	149.36
NOTE:			
1. CASH AND CASH EQUIVALENTS CONSIST OF CASH AND BANK BALANCES INCLUDING FDs & INTEREST ACCRUED HAVING MATURITY WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION.			
2. THE ABOVE STATEMENT OF CASH FLOWS HAVE BEEN PREPARED UNDER INDIRECT METHOD AS SET OUT IN IND AS 7 STATEMENT OF CASH FLOWS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 ("ACT") READ WITH RULE 4 OF THE COMPANIES ACT (INDIAN ACCOUNTING STANDARDS) RULES 2015 AND THE RELEVANT PROVISIONS OF THE ACT.			
3. FIGURES IN BRACKET INDICATE CASH OUTFLOW.			

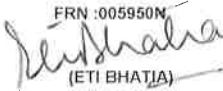

SUNIL KUMAR SINGH
Chief Finance Officer
M.No: ACA 500175


RAJEEV MEHROTRA
Chairman
DIN : 01583143


ANIL GHAI
DIRECTOR
DIN : 07669940


RANJAN KUMAR TIWARI
COMPANY SECRETARY
M.NO: ACS 28116

As per our report of even date attached

For Pawan Puri & Associates
Chartered Accountants
FRN : 005950M

(ETI BHATIA)
Partner
M.No : 511542

Place: New Delhi
Dated: 29.04.2019

RAILWAY ENERGY MANAGEMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A. EQUITY SHARE CAPITAL - (REFER NOTE NO 2.10)

(₹ in Lakhs)		
BALANCE AS AT 01.04.2018	CHANGES IN EQUITY SHARE CAPITAL DURING THE PERIOD	BALANCE AS AT 31.03.2019
7,000.00	0.00	7000.00

BALANCE AS AT 01.04.2017	CHANGES IN EQUITY SHARE CAPITAL DURING THE PERIOD	BALANCE AS AT 31.03.2018
7,000.00	0.00	7000.00

B. OTHER EQUITY- (REFER NOTE NO 2.11)

(₹ in Lakhs)				
PARTICULARS	RESERVE AND SURPLUS		OTHER COMPREHENSIVE INCOME	TOTAL
	GENERAL RESERVE*	RETAINED EARNINGS		
BALANCE AS AT 01.04.2018	4584.45	-	-	4,584.45
PROFIT FOR THE PERIOD	-	4,134.06	-	4,134.06
FINAL DIVIDEND FOR F.Y (2017-18)	-	(909.00)	-	(909.00)
CORPORATE DIVIDEND TAX	-	(186.85)	-	(186.85)
TRANSFER TO GENERAL RESERVE FROM RETAINED EARNINGS	3,038.21	(3,038.21)	-	-
BALANCE AT 31.03.2019	7,622.66	-	-	7,622.66

FINAL DIVIDEND PER SHARE FOR FY 2017-18 (₹)

1.298


NO OF SHARE USED IN COMPUTING
DIVIDEND PER SHARE

7,00,00,000

(₹ in Lakhs)				
PARTICULARS	RESERVE AND SURPLUS		OTHER COMPREHENSIVE INCOME	TOTAL
	GENERAL RESERVE*	RETAINED EARNINGS		
BALANCE AS AT 01.04.2017	1,999.39	-	-	1,999.39
ADJUSTMENT FOR PRIOR PERIOD ITEMS	3.45	-	-	3.45
RESTATED BALANCE AT 01.04.2017	2,002.84	-	-	2,002.84
PROFIT FOR THE YEAR	-	3,024.53	-	3,024.53
FINAL DIVIDEND	-	(368.00)	-	(368.00)
CORPORATE DIVIDEND TAX	-	(74.92)	-	(74.92)
TRANSFER TO GENERAL RESERVE FROM RETAINED EARNINGS	2,581.61	(2,581.61)	-	-
BALANCE AT 31.03.2018	4,584.45	-	-	4,584.45


* GENERAL RESERVES CAN BE UTILISED FOR GENERAL PURPOSE OF BUSINESS INCLUDING DISTRIBUTION OF DIVIDEND TO SHAREHOLDERS.

For and On Behalf of the Board


SUNIL KUMAR SINGH
Chief Finance Officer
M.No: ACA 500175


RAJEEV MEHROTRA
Chairman
DIN : 01583143


ANIL GHAI
DIRECTOR
DIN : 07669940


RANJAN KUMAR TIWARY
COMPANY SECRETARY
M.No.: ACS 28116

As per our report of even date attached

For Pawan Puri & Associates
Chartered Accountants
FRN :005950N


(P) BHATIA
Partner
M.No : 511542

Place: New Delhi
Dated: 29.04.2019



Company Overview, Significant Accounting Policies and Notes to Accounts form an integral part of the Standalone Financial Statements

Company Overview

Providing consultancy in green energy having focus on wind and solar projects, generating and selling renewable energy for railway consumption by installing windmills and solar plants. Procuring power for Indian railway, facilitating open access, bilateral purchases and purchase of exchange traded power, coordination with regulatory authorities to obtain relief on deemed licensee status of railways. Identification and implementation of energy efficient technologies for non traction avenues of Indian Railways, arranging finances for such projects.

The Company is incorporated and domiciled in India. The address of its registered office is SCOPE Minar, Laxmi Nagar, Delhi-110092 (India) and address of its corporate office is RITES Bhawan, Plot No. 1, Sector -29, Gurgaon, Haryana-122001 (India). The 51% of the shares of the company are held by the RITES Ltd (Holding Company) and their nominees and balance 49% shares are held by the Ministry of Railway and their nominees.

The reporting and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in ₹ Lakhs, by rounding off up to two decimals except for per share data and as otherwise stated. Previous period figures have been regrouped/recasted/rearranged, wherever necessary.

The standalone financial statements are approved by the company's Board of Directors on 29.04.2019.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

(a) Statement of Compliance

The financial statements of the Company are being prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read together with Companies Indian (Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

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

(b) Basis of preparation

The financial statements have been prepared on accrual basis at historical cost, except for the following assets and liabilities which have been measured at fair value/ amortized cost:



- Derivative financial instruments,
- Which are specifically indicated in the concerned accounting policy.

(c) Use of estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known/materialize.

1.2 REVENUE RECOGNITION

1.2.1 REVENUE FROM OPEARTIONS

Operating revenue is from various streams viz. consultancy fee and Power Generation.

For recognizing revenue from aforesaid streams in the financial statements, general parameters are stated below which are applicable to all streams of revenue while specific parameters are stated in the accounting policy of the respective stream of revenue.

General Parameters

To determine whether to recognise revenue, the Company follows a five step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

The Company often enters into transactions involving a range of the Company's products and services. In all cases, the total transaction price for a contract is based on performance obligation. The transaction price for a contract excludes amounts received as deposit from client for execution of the project and amount collected on behalf of third party (for example, some GST)

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the balance sheet. Similarly, if the Company satisfies a performance obligation before the consideration is due, the Company recognises a contract asset in its balance sheet.

When there is uncertainty as to realisability, recognition of revenue is postponed until such uncertainty is removed.



1.2.1.1 Consultancy Fee

Revenue from consultancy (advisory services for power procurement) is recognised as per the terms and conditions of the agreement with the beneficiary.

Revenue from providing services is recognized in the accounting period in which services are rendered. Revenue is recognized based on performance obligation satisfied either over time or at a point in time.

In case performance obligation satisfied over time revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate.

In other cases where performance obligation is not satisfied over time, revenue is recognized at a point in time.

In case of contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Mobilization fee is considered as customer advance until recognized as revenue based on the stage of completion of activities/transactions as per the terms of contract/work order.

Reimbursable and supplies are accounted for on accrual basis.

In Construction Management/ Supervision Contracts, revenue is recognised as a percentage of the value of work done/built-up cost of each contract as determined by the Management, pending customer's approval, if any.

1.2.1.2 Wind Mill Projects (Power Generation)

Revenue from sale of power through wind mill projects is recognized on the basis of certificate from concerned State Electricity Authority for energy fed in kwh (units) in authority's system and as per terms and conditions of the contract with the beneficiary.

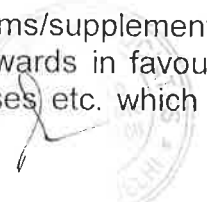
1.2.2 Other Income

1.2.2.1 Interest income

Interest income is recognized using effective interest method.

1.2.2.2 OTHERS

Other income is accounted for on accrual basis except claims/supplementary claims / counter claims/interest on delayed payments / awards in favour of the Company/ sale of tenders/ premium on sale of licenses etc. which are accounted for on final settlement/realization.



1.3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant and equipment are stated at cost i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs, in case of a qualifying asset, up to the date of acquisition/ installation, net of accumulated depreciation and impairment losses, if any.

- (a) Incidental expenditure during construction period including interest charges incurred up to the date of completion, net of interest recovered on mobilisation advance, are capitalized.
- (b) Spare valuing more than ₹10 lakh which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or principal item of the relevant assets, whichever is lower. Other spares are charged off to the Statement of Profit and Loss in the year of purchase.
- (c) Expenditure incurred subsequently relating to property, plant & equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.
- (d) The initial estimate of the cost of dismantling, removing the item and restoring the site on which PPE is located, the obligation for which is incurred when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period, is capitalized as a component of PPE.

1.3.1 Depreciation

- (a) Depreciation on property, plant and equipment are provided on straight line method over their estimated useful life determined by the management based on technical assessment. Depreciation method, useful lives and residual value are reviewed at the end of each financial year. The useful lives of assets are as prescribed in part C of schedule II of the Companies Act, 2013 except assets indicated in sub paragraphs from (d) to (g) below. In respect of additions to/deductions from the assets during the year, depreciation is charged on pro rata basis.
- (b) The estimated useful lives of the various assets, are as under:-

Assets	Useful Life (Years)	Depreciation/ Amortization Rate (%)
Furniture	10	10.00
Fixture	5	20.00
Office Equipment	5	20.00
Coolers & Air Conditioners	7	14.29
Air Conditioning Plant	15	6.67
Computer Hardware	3	33.33
Survey and Equipments	10	10.00
Vehicles	8	12.50
Buildings on Freehold land	60	1.67
Windmill plant	25	4.00
Intangible Assets	4	25.00

- (c) Any addition or extension, which becomes an integral part of the existing asset and which results in increased economic benefits, is capitalized and depreciated over the remaining useful life of that asset.
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the income statement when the asset is derecognised.
- (d) Lease hold land is amortized over the lease term or the useful life of asset built/installed on such land, whichever is shorter.
- (e) In respect of building on lease hold land, depreciation is charged over the period of lease of land or the useful life sated above on freehold land, whichever is lower.
- (f) As per company's technical assessment, Fixtures, Coolers & Air Conditioners have lower useful lives than prescribed in part C of schedule II of the Companies Act, 2013. Therefore depreciation is charged at higher rate than prescribed under the Companies Act, 2013.
Windmill Plants have higher useful life of 25 years than prescribed in part C of schedule II of the Companies Act, 2013 of 22 years. Therefore depreciation is charged at lower rate than prescribed under the Companies Act, 2013.
- (g) Individual low cost assets of value less than ₹ 5,000/- are fully depreciated in the year of acquisition.
- (h) A nominal value of ₹1/- is assigned to the fully depreciated assets.

1.3.2 Capital Work in Progress

Assets which are not ready for the intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

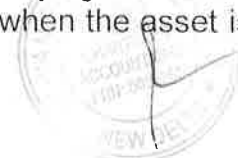
1.3.3 Capital Advances

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

1.4 INTANGIBLE ASSETS

Intangible assets acquired/ developed are measured on recognition at cost less accumulated amortisation and impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.



(a) Software of value less than ₹100,000/- is fully amortized in the year of acquisition

(b) A nominal value of ₹1/- is assigned to the fully amortised assets.

1.4.1 Amortization

Softwares with estimated useful lives of 4 years are amortized on a straight line basis over the period.

1.5 INCOME TAXES

1.5.1 CURRENT INCOME TAX

Current 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 in India, at the reporting date.

Management periodically evaluates positions taken in the tax assessments with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Additional taxes, interest and/or penalties levied/ imposed by the tax authorities / Appellate authorities on finality are recognized in the Statement of Profit and Loss.

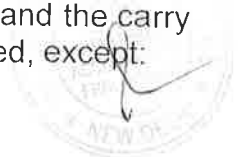
Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.5.2 Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:



In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 utilized. Unrecognized deferred tax assets are re-assessed 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.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

1.6 RATES & TAXES

Overseas taxes on foreign assignments, service tax, value added tax, alike taxes, professional tax, property tax, entry tax, labour cess, octroi etc. paid/accrued in India or abroad for which credit are not available to the company are charged to the Statement of Profit & Loss.

1.7 PREPAYMENTS

Prepayments towards leasehold land and/or buildings, which are in the nature of operating lease, are amortized over the period of the lease agreement.

1.7.1 Prepaid Expenses and Prior Period Adjustments

1.7.1.1 Prepaid Expenses

Prepaid expenses up to ₹5,00,000/- in each case are treated as expenditure/income of the year and accounted for to the natural head of accounts.

1.7.1.2 Prior Period Adjustments

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.



1.8 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term deposits with an original maturity of three months or less from the date of acquisitions which are readily convertible into known amounts of cash and be subject to an insignificant risk of change in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.9 STATEMENT OF CASH FLOWS

Statement of Cash Flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

1.10 EARNINGS PER SHARE

In determining basic earnings per share, net profit attributable to equity shareholders is divided by weighted average number of equity shares outstanding during the period.

In determining diluted earnings per share, net profit attributable to equity shareholders is divided by weighted average number of equity shares considered for driving basis earning per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at the later date. Dilutive potential equity share are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.11 IMPAIRMENT OF ASSETS

1.11.1 Financial Assets

(Other than at Fair Value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company consider the following-

- All contractual terms of the financial assets (including extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables: In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets: In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

1.11.2 Non Financial Assets (Tangible and Intangible Assets)

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use). Impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss to the extent of previously recognized or balanced impairment loss.

1.12 BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets which necessarily takes substantial period of time to get ready for their intended use. All other borrowing costs are recognized as expenses in the Statement of Profit & Loss.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 WRITE OFF

1.13.1 Financial Assets

Such assets including trade/lease receivables are written off when, in the opinion of the management, unreliability has become certain.

1.13.2 Non Financial Assets

Such assets including property, plant, equipment (PPE), intangible assets, investment property and inventory are written off when, in the opinion of the management, such asset has become obsolete, damaged beyond repair, stolen and uneconomical to use.

1.14 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- (a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources.

- (b) Contingent Liabilities are not recognized but are disclosed in the notes in any of the following cases :-
 - (i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
 - (ii) a reliable estimate of the present obligation cannot be made; or
 - (iii) a possible obligation, unless the probability of outflow of resource is remote.
- (c) Contingent Liability is net of estimated provisions considering possible outflow on settlement.
- (d) Contingent Assets are not recognized but are disclosed where an inflow of economic benefits is probable.
- (e) Contingent Assets, Contingent Liabilities and Provisions needed against Contingent Liabilities are reviewed at each balance sheet date.

1.15 NON-CURRENT ASSETS HELD FOR SALE

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. Non-current assets classified as held for sale is recognized at lower of its carrying amount and fair value less cost to sell.

1.16 DIVIDENDS

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

1.17 FINANCIAL INSTRUMENTS

1.17.1 Initial recognition

Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities are recognized at fair value on initial recognition except for trade receivables/ trade payables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit and loss are added or deducted to/from the fair value on initial recognition.

1.17.2 Subsequent measurement

- (a) Financial assets are subsequently measured at amortised cost if these are held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(b) Financial assets at fair value through profit or loss

The financial assets are measured at fair value through profit or loss unless it is classified at amortised cost.

(c) Financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

1.17.3 De-recognition of financial instruments

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

1.18 Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Expense relating with increase/decrease in equity instrument and increase in authorised share capital are charged to statement of profit & loss in the year in which incurred.



2. NOTES TO ACCOUNTS

2.0 First time adoption of Ind AS-115 Revenue from Contracts with Customers:

Company has decided to adopt the Full Retrospective Approach in preparation of its Financial Statements. The adoptions of the standard have no material impact on the financial statements of the Company



2.01 PROPERTY PLANT & EQUIPMENT

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT & EQUIPMENT FOR THE YEAR ENDED 31.03.2019

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	AS AT 01/04/2018	ADDITIONS DURING THE YEAR	ADJUSTMENT DURING THE YEAR	DELETION S DURING THE YEAR	TOTAL	AS AT 01/04/2018	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETION DURING THE YEAR	TOTAL	AS AT 31.03.2019
LEASED/HOLD												
LAND (WIND MILL PLANT AT JAISALMER)*	105.25	-	-	-	105.25	10.35	4.21	-	-	-	14.56	90.69
SUB TOTAL	105.25	-	-	-	105.25	10.35	4.21	-	-	-	14.56	90.69
OTHERS												
PLANT AND EQUIPMENT												
WIND MILL PLANT AT JAISALMER (25 MW)**	15,222.46	-	-	-	15,222.46	1,497.29	608.90	-	-	-	2,106.19	13,116.27
BUILDING	-	622.59	-	-	622.59	-	5.18	-	-	-	5.18	617.41
OFFICE EQUIPMENT	0.59	0.05	-	-	0.64	0.12	0.12	-	-	-	0.24	0.40
COMPUTER AND EQUIPMENT	5.96	0.89	-	-	6.85	1.16	2.07	-	-	-	3.23	3.62
SUB TOTAL	15,229.01	623.53	-	-	15,852.54	1,498.57	616.27	-	-	-	2,114.84	13,737.70
GRAND TOTAL	15,334.26	623.53	-	-	15,957.79	1,508.92	620.48	-	-	-	2,129.40	13,828.39

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT & EQUIPMENT FOR THE YEAR ENDED 31.03.2018

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	AS AT 01/04/2017	ADDITIONS DURING THE YEAR	ADJUSTMENT DURING THE YEAR	DELETION DURING THE YEAR	TOTAL	AS AT 01/04/2017	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETION DURING THE YEAR	TOTAL	AS AT 31.03.2018
LEASED/HOLD												
LAND (WIND MILL PLANT AT JAISALMER)*	105.25	-	-	-	105.25	6.14	4.21	-	-	-	10.35	94.90
SUB TOTAL	105.25	-	-	-	105.25	6.14	4.21	-	-	-	10.35	94.90
OTHERS												
PLANT AND EQUIPMENT												
WIND MILL PLANT AT JAISALMER (25 MW)**	15,222.46	-	-	-	15,222.46	888.39	608.90	-	-	-	1,497.29	13,725.17
OFFICE EQUIPMENT	0.19	0.40	-	-	0.59	0.05	0.07	-	-	-	0.12	0.47
COMPUTER AND EQUIPMENT	-	5.96	-	-	5.96	-	1.16	-	-	-	1.16	4.80
SUB TOTAL	15,222.65	6.36	-	-	15,229.01	888.44	610.13	-	-	-	1,498.57	13,730.44
GRAND TOTAL	15,327.90	6.36	-	-	15,334.26	894.58	614.34	-	-	-	1,508.92	13,825.34

*UNDER MORTGAGED REFER NOTE NO. 2.12

**UNDER HYPOTHECATED REFER NOTE NO. 2.12

2.02 INTANGIBLE ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION					TOTAL	NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJUSTMENT DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETION S DURING THE YEAR		
SOFTWARE (ACQUIRED)												
AS AT 31.03.2019	1.55	-	-	-	1.55	0.78	0.39				1.17	0.38
AS AT 31.03.2018	1.55				1.55	0.39	0.39	-	-	-	0.78	0.77

AGGREGATE DEPRECIATION AND AMORTISATION HAS BEEN INCLUDED UNDER DEPRECIATION AND AMORTISATION EXPENSE IN THE STATEMENT OF PROFIT & LOSS



2.03 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

PARTICULARS	Note No	AS AT 31.03.2019	AS AT 31.03.2018
BANK DEPOSITS HAVING MATURITY OVER 12 MONTHS FROM REPORTING DATE	2.06.3	1.21	200.00
INTEREST ACCRUED - ON BANK DEPOSITS		0.02	3.23
TOTAL		1.23	203.23

2.04 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018
ADVANCE INCOME TAX (NET OF PROVISION)	393.52	320.63
PREPAID EXPENSES	8.44	9.65
TOTAL	401.96	330.28



2.05 CURRENT TRADE RECEIVABLES		(₹ in Lakhs)	
PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018	
UNSECURED			
CONSIDERED GOOD (RELATED PARTY)	1,579.66	924.55	
CONSIDERED DOUBTFUL (RELATED PARTY)	290.24	-	
	1,869.90	924.55	
LESS: ALLOWANCE FOR EXPECTED CREDIT LOSSES	(290.24)	-	
TOTAL*	1,579.66	924.55	
* Includes dues from companies where directors are interested			
2.06 CASH AND BANK BALANCES- OWNED FUND			(₹ in Lakhs)
PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018	
2.06.1 CASH & CASH EQUIVALENTS			
BANK BALANCES IN :			
CURRENT ACCOUNTS	0.27	149.36	
DEPOSITS #	1,195.47	-	
TOTAL	1,195.74	149.36	
2.06.2 OTHER BANK BALANCES			
DEPOSITS ##	1,674.70	2,267.74	
TOTAL*	1,674.70	2,267.74	
2.06.3 BANK BALANCES MORE THAN 12 MONTHS MATURITY (NOTE 2.03)			
DEPOSITS ###	1.21	200.00	
TOTAL*	1.21	200.00	
2.06.4 BOOK OVERDRAFT ###(NOTE 2.15)			
	23.91	-	
TOTAL CASH & BANK BALANCES- OWNED FUND	2,847.74	2,617.10	



2.07 CASH AND BANK BALANCES- CLIENT FUND

(₹ in Lakhs)

PARTICULARS AS AT 31.03.2019 AS AT 31.03.2018

2.07.1 CASH & CASH EQUIVALENTS

BANK BALANCES IN :

CURRENT ACCOUNTS

DEPOSITS

TOTAL

	0.16	49.15
	-	-
	0.16	49.15

2.07.2 OTHER BANK BALANCES

DEPOSITS

TOTAL

	1,335.73	-
	1,335.73	-

TOTAL CASH & BANK BALANCES- CLIENT FUND

	1,335.89	49.15
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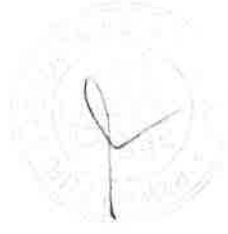
Includes flexi deposit and deposits having maturity within 3 months from the date of acquisition.

Having maturity over 3 months from the date of acquisition and upto 12 months from reporting date.

Having maturity over 12 months from reporting date.

Book overdraft due to issuance pf cheques, which will be cleared against the term deposit available in banks.

*Includes restricted cash and bank balances of ₹ 10.40 Lakh(PY ₹ 1 Lakh) on account of bank balances held as margin money deposits against the guarantee issued by bank.



(₹ in Lakhs)

2.08 OTHER CURRENT FINANCIAL ASSETS

PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
INTEREST ACCRUED ON:			
-BANK DEPOSITS HAVING MATURITY:			
WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION		0.22	-
OVER 3 MONTHS FROM THE DATE OF ACQUISITION AND UPTO 12			
MONTHS FROM REPORTING DATE	2.26	28.83	25.53
ADVANCES TO RELATED PARTIES		30.72	50.41
UNBILLED REVENUE		643.60	524.23
TOTAL		703.37	600.17

(₹ in Lakhs)

2.09 OTHER CURRENT ASSETS

PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018
PREPAID EXPENSES	48.37	37.71
STAFF IMPREST	0.40	0.05
TOTAL	48.77	37.76



2.10	EQUITY SHARE CAPITAL	AS AT 31.03.2019		AS AT 31.03.2018	
	PARTICULARS				
2.10.1	AUTHORISED 150,000,000 (PREVIOUS YEAR 1 50,000,000) EQUITY SHARES OF ₹ 10/- EACH		15000.00		15000.00
2.10.2	ISSUED, SUBSCRIBED AND FULLY PAID-UP 70,000,000 (PREVIOUS YEAR 70,000,000) EQUITY SHARES OF ₹ 10/- EACH		7000.00		7000.00
			7000.00		7000.00
2.10.3	RECONCILIATION OF NUMBER OF EQUITY SHARES OPENING BALANCE ADD/(LESS) DURING THE YEAR CLOSING BALANCE	No. of Shares 700,00,000 700,00,000	(₹ in Lakhs) 7000.00 7000.00	No. of Shares 700,00,000 700,00,000	(₹ in Lakhs) 7000.00 7000.00
2.10.4	RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES				
	THE COMPANY HAS ONE CLASS OF EQUITY SHARES HAVING A PAR VALUE OF ₹ 10 EACH. EACH SHAREHOLDER IS ELIGIBLE FOR ONE VOTE PER SHARE HELD IN CASE POLL IS DEMANDED BY THE MEMBERS IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013. IN THE EVENT OF LIQUIDATION, THE EQUITY SHAREHOLDERS ARE ELIGIBLE TO RECEIVE THE REMAINING ASSETS OF THE COMPANY AFTER DISTRIBUTION OF ALL PREFERENTIAL AMOUNTS, IN PROPORTION TO THEIR SHAREHOLDING.				
2.10.5	EQUITY SHARES HELD BY HOLDING COMPANY & ITS NOMINEES RITES LTD.		No. of Shares 357,00,000		No. of Shares 357,00,000
2.10.6	EQUITY SHARES HELD BY EACH SHAREHOLDER MORE THAN 5% OF SHARES		No. of Shares		No. of Shares
	RITES LTD		356,99,979 (50.99%)		356,99,979 (50.99%)
	INDIAN RAILWAYS		342,99,986 (48.99%)		342,99,986 (48.99%)
2.11	OTHER EQUITY				
	PARTICULARS		AS AT 31.03.2019		AS AT 31.03.2018
2.11.1	RESERVE & SURPLUS GENERAL RESERVE		7,622.66		4,584.45
2.11.2	OTHER COMPREHENSIVE INCOME				
	TOTAL		7,622.66		4,584.45

(₹ in Lakhs)			
2.12 BORROWINGS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
PARTICULARS			
SECURED TERM LOAN FROM INDIAN BANK *		4,759.69	5,531.75
LESS: CURRENT MATURITY OF UPTO ONE YEAR FROM REPORTING DATE	2.15	766.46	766.46
TOTAL		3,993.23	4,765.29

* The details of security for the secured term loan borrowed from Indian Bank are as follows:-

- Hypothecation of all the movable assets pertaining to project including but not limited to plant and machinery, machinery spares, tools and accessories
- Hypothecation charge on the Borrower's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill present and future, related to project.
- A first charge on the company's bank accounts related to project including but not limited to the Escrow Account (Escrow) opened with our Bank, where all cash inflows of the company related to the project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the Lenders.
- Mortgage charges on the rights on the sub-leased land in Jaisalmer, Rajasthan for the purpose of the Project - to be executed by way of an equitable mortgage.

* Terms of repayment of term loan are as under

- Repayment of loan to be made in 144 monthly installments started from April 2016. In addition to monthly schedule principal payment, company has also made lumpsum payment towards loan from time to time. Due to lumpsum payments, the entire loan will be repaid before the schedule of Term Loan.
- Repayment of interest on term loan to be made monthly till closure of term loan.
- Term Loan can be prepaid as per the availability of cash generation without any pre-payment charges.

(₹ in Lakhs)			
2.13 DEFERRED TAX LIABILITIES (NET)	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
PARTICULARS			
UNABSORBED DEPRECIATION / BUSINESS LOSS (AS PER I.T. ACT, 1961)		(702.53)	(1617.41)
EXPECTED CREDIT LOSS OF FINANCIAL ASSETS		(84.52)	0.00
DIFFERENCE OF DEPRECIATION AS PER INCOME TAX ACT AND COMPANIES ACT		3676.10	3694.29
MAT CREDIT ENTITLEMENT		(2675.41)	(1546.91)
TOTAL		213.64	529.97

2.14 CURRENT TRADE PAYABLES		(₹ in Lakhs)	
PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
CREDITORS FOR SUPPLIES AND SERVICES			
MICRO, SMALL AND MEDIUM ENTERPRISES		-	86.14
OTHER THAN MICRO, SMALL & MEDIUM ENTERPRISES (RELATED PARTY)		76.34	17.85
OTHER THAN MICRO, SMALL & MEDIUM ENTERPRISES (OTHERS)		30.11	103.99
TOTAL		<u>106.45</u>	<u></u>

2.15 OTHER CURRENT FINANCIAL LIABILITIES		(₹ in Lakhs)	
PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
INTEREST ACCRUED AND DUE ON BORROWINGS		36.35	55.76
CURRENT MATURITY OF LONG TERM DEBT	2.12	766.46	766.46
BOOK OVERDRAFT- OWNED FUND*	2.06.4	23.91	-
SUNDRY CREDITORS- RELATED PARTY		13.40	116.99
CLIENT DEPOSIT		425.08	-
SUNDRY CREDITORS-OTHERS (INCLJDING MSME VENDORS)	2.36	208.26	191.23
EMD/SECURITY DEPOSIT		18.08	65.64
SECURITY DEPOSIT-CLIENT		279.08	-
TOTAL		<u>1,770.62</u>	<u>1,196.08</u>

* Book overdraft due to issuance of cheques, which will be cleared against term deposits available in bank.

2.16 OTHER CURRENT LIABILITIES		(₹ in Lakhs)	
PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
STATUTORY LIABILITIES		63.49	136.64
CUSTOMER ADVANCE		-	71.19
TOTAL		<u>63.49</u>	<u>207.83</u>

2.17 CURRENT TAX LIABILITIES (NET)		(₹ in Lakhs)	
PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
CURRENT TAX (MAT) PAYABLE FOR THE CURRENT YEAR		-	837.87
LESS: TAXES PAID INCLUDING TAX DEDUCTED AT SOURCE		-	(837.13)
TOTAL		<u>-</u>	<u>0.74</u>

2.18 REVENUE FROM OPERATIONS			(₹ in Lakhs)
PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
SALE OF SERVICES			
CONSULTANCY FEE (GROSS)		6,831.71	5,094.78
LESS: SERVICE TAX/GST		(1,122.09)	(766.51)
CONSULTANCY FEE (NET)		5,709.62	4,328.27
CONSULTANCY FEE (UNBILLED REVENUE)	2.39	575.90	524.23
POWER GENERATION			
SALE OF ELECTRICAL ENERGY - ELECTRICITY	2.38	1,795.10	1,710.38
SALE OF ELECTRICAL ENERGY - ELECTRICITY (UNBILLED REVEUNE)		67.71	-
TOTAL		8,148.33	6,562.88

2.19 OTHER INCOME			(₹ in Lakhs)
PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
INTEREST EARNED ON:			
- DEPOSITS WITH BANK		151.94	249.28
- INCOME TAX REFUND		0.96	0.02
MISCELLANEOUS INCOME*		2.07	67.37
TOTAL		154.97	316.67
* Sale of tender document & forfeiture of bid security.			



2.20 FEE FOR SERVICE OBTAINED

(₹ in Lakhs)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
MAN-MONTH EXPENSE (RELATED PARTY)		668.57	560.35
OTHER EXPENSE		226.31	192.82
TOTAL-(A)		894.88	753.16

2.21 FINANCE COST

(₹ in Lakhs)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
ON TERM LOAN		438.37	687.20
ON ADVANCES- RELATED PARTY	2.31	-	62.70
TOTAL-(A)		438.37	749.90

2.22 WIND MILL EXPENSE

(₹ in Lakhs)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
TRANSMISSION, WHEELING & SLDC CHARGES		509.85	483.81
OPERATION & MAINTAINANCE		170.15	75.02
TOTAL		680.00	558.83

2.23 OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
LEGAL & PROFESSIONAL EXPENSES		54.29	27.29
OFFICE EXPENSES		1.17	0.66
TRAVELLING EXPENSES		24.08	21.13
AUDITORS' REMUNERATION	2.23.1	2.16	2.96
AUDITORS' OUT OF POCKET EXPENSES	2.23.1	0.35	0.25
ADVERTISING EXPENSES		56.61	16.31
PRINTING & STATIONARY		3.98	5.27
INSURANCE		8.07	10.03
RATES & TAXES		44.35	12.87
INTERNAL AUDIT FEE		0.60	0.45
BANK CHARGES		0.10	0.02
CSR EXPENDITURE	2.34	54.94	16.07
DIRECTOR'S SITTING FEE		0.10	-
IMPAIRMENT FOR DOUBTFUL DEBTS		290.24	-
MISCELLANEOUS EXPENSES (COST OF VEHICLE HIRING, SPONSORSHIP, MEETING EXPENSE, ETC.)		62.28	65.41
TOTAL		603.32	178.72



2.23.1 AUDITORS' REMUNERATION

PARTICULARS	NOTE NO.	(₹ in Lakhs)	
		YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
STATUTORY AUDIT FEE		1.21	1.10
TAX AUDIT FEE		0.72	0.66
QUARTERLY AUDIT		-	1.05
OTHER SERVICES i.e. CERTIFICATION ETC.		0.23	0.15
TOTAL		2.16	2.96
AUDITORS' REMUNERATION		2.16	2.96
AUDITORS' OUT OF POCKET EXPENSES		0.35	0.25

2.24 TAX EXPENSE

PARTICULARS	NOTE NO.	(₹ in Lakhs)	
		YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
CURRENT TAX - (MAT)		1128.50	837.87
MAT CREDIT ENTITLEMENT		(1,128.50)	(837.87)
TOTAL-(A)	2.32	-	-
DEFERRED TAX CHARGE- (B)		812.16	897.95
TOTAL (A)+(B)		812.16	897.95



Disclosures as per Indian Accounting Standards (Ind AS):

2.25 Disclosures on operating segments (Indian Accounting Standards-108) are as follows:

Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The company's chief operating decision maker is the Chief Executive Officer and Chairman.

2.25.1 Company has identified two operational reportable segments based on operations being carried out which are as under:-

- Power Generation
- Consultancy

2.25.2 The company entire operation is within geographical region of India.

2.25.3 The accounting principles used in the preparation of the financial statements are consistently applied to record revenue & expenditure in individual segments, as set out in the note of significant accounting policies.

2.25.4 Revenue & direct expenses in relation to segments are allocated based on items that are individually identifiable to that segment while the remaining costs are categorized as unallocated expense as the underlying services are used interchangeably.

2.25.5 Operational Segment for Year Ended 31.03.2019

(₹In Lakhs)

Description	Year Ended 31.03.2019			Year Ended 31.03.2018		
	Power Generation	Consultancy Services	Total	Power Generation	Consultancy Services	Total
Revenue	1862.81	6285.52	8148.33	1710.38	4852.50	6562.88
Identifiable operating expenses	1921.91	1000.74	2922.65	1890.08	661.10	2551.18
Segmental profit/(Loss) from operations	(59.10)	5284.78	5225.68	(179.70)	4191.40	4011.70
Add: Interest Income*			152.90			249.30
Add: Other Income **			2.07			67.37
Less: Un-allocable Expenses			434.43			405.89
Net Profit Before Tax			4946.22			3922.48
Less: Income Tax (including Deferred Tax)			812.16			897.95
Net Profit			4134.06			3024.53

Description	Year Ended 31.03.2019			Year Ended 31.03.2018		
	Power Generation	Consultancy Services	Total	Power Generation	Consultancy Services	Total
After Tax						
Additional Information:						
Depreciation and amortization	613.11	2.58	615.69	613.11	1.62	614.73
Depreciation-Un-allocable			5.18			Nil
Non-cash expenses other than depreciation and amortization	165.60	124.64	290.24	Nil	Nil	Nil
Impairment losses	Nil	Nil	Nil	Nil	Nil	Nil
Reversal of Impairment losses	Nil	Nil	Nil	Nil	Nil	Nil
PPE	13206.96	4.02	13210.98	13820.07	5.27	13825.34
Intangible Assets	Nil	0.38	0.38	Nil	0.77	0.77
Current Assets	226.94	2074.48	2301.42	267.22	1466.99	1734.21
Total Segmental Assets	13433.90	2078.88	15512.78	14087.29	1473.03	15560.32
Add: Un allocable Assets-PPE****			617.41			Nil
Add: Un allocable Assets other than PPE****			4639.90			2828.03
Total Assets			20770.09			18388.35
Non Current Liabilities	3993.23	Nil	3993.23	4765.29	Nil	4765.29
Current Liabilities	921.64	257.56	1179.20	827.88	325.83	1153.71
Total Segmental Liabilities	4914.87	257.56	5172.43	5593.17	325.83	5919.00
Add: Un allocable Liabilities****			975.00			884.90
Total Liabilities			6147.43			6803.90

* Interest income includes interest on bank deposits and income tax refund etc.

**Other income includes sale of tender document and forfeiture of bid security.

***No Impairment and its reversal has been recognized in other Comprehensive Income (OCI) during the Year ended 31.03.2019 and Year ended 31.03.2018.

****Unallocable assets and liabilities including current and non current are common in nature for all and cannot be allocated to a specific segment.

2.25.6 Out of total Operating Revenue of ₹ 8148.33 (Previous Year ₹ 6562.88 Lakhs) Revenue of ₹ 8046.16 Lakhs (Previous Year ₹ 6502.47 Lakhs) is derived from a single customer.

2.26 Related Party Disclosures (Indian Accounting Standards-24) are as follows:-

2.26.1 Related Party

2.26.1.1 Holding Company

Name	Country	Holding as on	
		31.03.19	31.03.18
M/s RITES Ltd	India	51%	51%

2.26.1.2 Ministry of Railways

Name	Country	Holding as on	
		31.03.19	31.03.18
Indian Railways	India	49%	49%

2.26.1.3 Key Managerial Personnel- RITES LIMITED (Holding Company)

Chairman & Managing Director (Chief Executive Officer)

Shri Rajeev Mehrotra

Whole Time Directors

Shri Arbind Kumar, Director Projects (Up to 31st August, 2018)

Shri Ajay Kumar Gaur, Director Finance (Chief Finance Officer)

Shri Mukesh Rathore, Director Technical

Shri Gopi Suresh Kumar Varadarajan (From 24th September, 2018)

Government Nominee Directors

Shri A.P. Dwivedi, Director

Shri Bhupendra Kumar Agarwal, Director

Non-Executive (Independent) Directors

Dr. Vidya Rajiv Yeravdekar

Shri Anil Kumar Goel

Shri Satish Sareen

Dr. Pramod Kumar Anand

Ms. Geetha Kumary

Shri. Rajendra N Goyal

Company Secretary & Compliance Officer

Shri Ashish Srivastava



2.26.1.4 Key Managerial Personnel of the company

Chairman

Shri Rajeev Mehrotra

Directors

Shri Arbind Kumar (Up to 31st August,2018)

Shri Anil Ghai,

Ms Anju Ranjan, (Up to 16th July,2018)

Shri Shalabh Goel,

Shri Ajeet Kumar Srivastava (From 27th July 2018)

Shri Gopi Suresh Kumar Varadarajan (From 29th September, 2018)

Non-Executive (Independent) Directors

Shri Pradeep Kumawat (From 05th December, 2018)

Chief Executive Officer(CEO)

Shri Sudhir Kumar Saxena

Chief Finance Officer(CFO)

Shri Sunil Kumar Singh

Company Secretary

Shri Ranjan Kumar Tiwary (From 25th January, 2019)

2.26.2 Transactions and Balance with Related Parties

Outstanding balances from the related parties are unsecured which are due towards ordinary course of business and are being realized within reasonable time.

2.26.2.1 Transactions with Key Management Personnel:

CEO, CFO & Company Secretary are the employee of holding company i.e. RITES Ltd and they have been deputed in the subsidiary company. The salary & other benefits viz. PF, pensions etc. of CEO, CFO & Company Secretary are being paid directly by RITES Ltd. (holding company) after deduction of TDS as per provisions of Income Tax Act, 1961. For rendering service to subsidiary company, fees are charged at man-month rate basis.

Particulars	(₹In Lakhs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
-Man-Month Expense of CEO, CFO and Company Secretary	119.64	72.39
- Sitting fee to Non Executive Independent Director	0.10	-
TOTAL	119.74	72.39

2.26.3 Transactions with holding company during the year

(₹In Lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
-Fee for services obtained (Management Contract)	668.57	560.35
- Salary reimbursement of CEO, CFO & Company Secretary	119.64	72.39
-Other Expense	7.85	-
-Reimbursable Expense	13.49	53.81
-Interest on Advance	-	106.13
-Repayment of Advance	-	369.49
- Dividend Paid	463.59	187.68
TOTAL	1273.14	1349.85

Year End Balances

(₹In Lakhs)

Particulars	As on 31.03.2019	As on 31.03.2018
-Trade Payable	76.34	86.14
-Reimbursable (Payable for Expense)	13.40	116.99
-Equity Share Capital	3570.00	3570.00
TOTAL	3569.74	3773.13

2.26.5 Transactions with Ministry of Railways during the Year

(₹In Lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Revenue		
-Consultancy	6183.36	4792.10
- Power Generation	1862.81	1710.38
Customer Advance	-	71.19
Advances	19.68	40.29
Repayment of advance	Nil	355.00
Interest Payment on Advance	Nil	102.18
Dividend Paid	445.41	180.32
TOTAL	8511.26	7251.46

Year End Balances

(₹In Lakhs)

Particulars	As on 31.03.2019	As on 31.03.2018
Trade Receivable		
-Consultancy	1478.11	820.29
-Power Generation	101.55	104.26
Customer Advance	-	71.19
Advances	30.72	50.41
Equity Share Capital	3430.00	3430.00
Client Deposit	704.16	-
TOTAL	5744.54	4476.15

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2.26.6 Government related entities

Government of India (GOI) is holding 87.4% (PY 100%) equity shares of the holding company (RITES Ltd), which are held by President of India acting through Ministry of Railways and its nominees. GOI controls the holding company through Ministry of Railways.

The Company has made various transactions with the Ministry of Railways and with entities being controlled or jointly controlled or having significant influences of Ministry of Railways. The transactions with them are disclosed under Note No.2.26.5.

2.27 Disclosures on Earning per Share (EPS) (Indian Accounting Standard-33) are as follows:-

	Particulars	Year Ended	Year Ended
		31.03.2019	31.03.2018
A	Net Profit for the year (₹ in Lakhs)	4134.06	3024.53
B	Amount available for Equity Shareholder (₹ in Lakhs)	4134.06	3024.53
C	Weighted average number of Equity Shares (Nos)	7,00,00,000	7,00,00,000
D	Earnings Per Share(Basic & Diluted) (B)/(C)	₹5.91	₹ 4.32
E	Face value per equity share	₹ 10/-	₹ 10/-

2.28 Disclosures on Provisions, Contingent Liabilities and Contingent Assets (Indian Accounting Standards-37) are as follows:-

2.28.1 Contingent Liabilities

(a) Claim against the company not acknowledge as debt- ₹ Nil

(b) **Other money for which company may be contingently liable:-** On account of wheeling & Transmission charges for 26 MW wind mill plant of company at Jaisalmer, an amount of ₹161.55 Lakhs (Previous Yr ₹161.55 Lakhs) which is payable to Rajasthan state utilities. -Refer note No. 2.38.

2.28.2 Outstanding litigation (Management foresee no contingent liability)

Condition precedent as per Agreement for procurement of power executed between Zonal Railways and one of the generator/supplier could not be fulfilled by the supplier after a substantial time from execution of agreement in the states of Odisha, Bihar, Chhattisgarh and Punjab. Now, generator/supplier has filed petitions in CERC for termination of the agreement and release of their performance bank guarantee by Zonal Railways in the above states and made Company second respondent. Since company has performed all functions and responsibilities on behalf of Zonal Railways till the signing of power purchase agreement (PPA) as per bid document, therefore management does not foresee any liability.

2.29 Disclosure on Borrowing Cost (Indian Accounting Standards-23):-

The company has borrowed term loan of ₹12058.55 Lakhs from Indian Bank for setting up 26 MW Wind Mill plants at Jaisalmer, Rajasthan. The entire amount of loan was borrowed during the financial year 2015-16. During the current year company has incurred interest cost of ₹ 438.37 Lakhs (Previous Year ₹ 687.20 Lakhs).

2.30 FINANCIAL INSTRUMENTS

2.30.1 Financial Instruments by category

The carrying value and fair value of financial instruments by categories wise as on 31st March, 2019 are as under:

Particulars	₹ in Lakhs					
	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance*	4183.63			4183.63	-	-
Trade Receivables*	1579.66	1579.66			-	-
Other Financial Assets*	703.39	703.39				
Total	6466.68	2283.05		4183.63	-	-
Financial Liabilities:						
Trade Payables*	106.45	106.45	-	-	-	-
Borrowings*	4759.69	4759.69	-	-	-	-
Other Financial Liabilities* #	1004.16	1004.16	-	-	-	-
Total	5870.30	5870.30	-	-	-	-

The carrying value and fair value of financial instruments by categories wise as on 31st March, 2018 are as under:

Particulars	₹ In Lakhs					
	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance*	2666.26	-	-	2666.26	-	-
Trade Receivables*	924.55	924.55	-	-	-	-
Other Financial Assets*	603.40	603.40	-	-	-	-
Total	4194.21	1527.95	-	2666.26	-	-

Particulars	₹ In Lakhs					
	Total carrying value	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Liabilities:						
Trade Payables*	103.99	103.99	-	-	-	-
Borrowings*	5531.75	5531.75	-	-	-	-
Other Financial Liabilities*	429.62	429.62	-	-	-	-
Total	6065.36	6035.36	-	-	-	-

*The carrying amounts of trade receivables, trade payables, cash and cash equivalents, short term loans, other current financial assets and liabilities are considered to be same as their amortized cost due to their short-term nature. As per practice, Security Deposits and Retention money represent source of protection with respect to contract performance rather than a source of financing, hence presented at transaction value.

Including client fund of ₹ 704.16 Lakhs (PY ₹ Nil)

2.30.2 Fair value hierarchy and valuation technique

To provide an indication about the reliability of method used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Indian Accounting Standard (Ind AS 113) on fair value measure.

- Level 1:** Quoted prices in active markets for identical assets or liabilities.
- Level 2:** Fair value of financial instruments that are not traded in an active markets is determined using valuation techniques and observable Inputs for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Inputs for the assets or liabilities that are not based on observable market data (observable inputs).

Fair value hierarchies of assets & liabilities as on March 31, 2019 are as follows:

Particulars	As on 31.03.2019	Fair value measurement at end of the reporting period using		
		₹ In Lakhs)		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and Bank Balances	4183.63	4183.63	-	-



Fair value hierarchies of assets & liabilities as on March 31, 2018 are as follows:

(₹ In Lakhs)

Particulars	As on 31.03.2018	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and Bank Balances	2666.26	2666.26	-	-

2.30.3 Financial Risk Management

Financial Risk Factors

The Company's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from few customers.

Market Risk

The Company operates in PAN India and company has no transactions in foreign currency, therefore there is no foreign exchange risk.

Credit Risk

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Primarily exposure to the credit risk at the end of current Year and previous Years is from trade receivables amounting to ₹ 1579.66 Lakhs (Previous Year ₹ 924.55 Lakhs) and unbilled revenue amounting to ₹ 643.60 (Previous Year ₹ 524.23 Lakhs) which are typically unsecured. Credit risk has always is being managed by the company through continuously monitoring the outstanding dues from the customers. Further, company has impaired as a prudent measure, the traded receivables towards expected credit loss as per company accounting policy to the extent of ₹ 290.24 Lakhs (PY ₹ Nil). All receivables of the company are from Indian Railways & its controlled entities and hence credit risk is bare minimum.

No significant credit risk on cash and Bank Balances (including client's fund) of ₹ 4183.63 Lakhs (Previous Year ₹ 2666.26 Lakhs) is expected as company parks surplus funds with Schedule Banks having good credit adequacy ratio and least NPA as determined by RBI and guidelines of the company. Company has parked owned funds in fixed deposits of ₹ 2871.38 Lakhs (Previous Year ₹ 2467.74 Lakhs) with Schedule banks with negligible credit risks.

Liquidity Risk

The company's principal sources of liquidity are cash and bank balances and cash flow that is generated from operations. The company has outstanding borrowings from Indian Bank amounting to ₹ 4759.69 Lakhs (Previous Year ₹ 5531.75 Lakhs). The installment falling due for re-payment within one year from the reporting date is amounting to ₹ 766.46 Lakhs (Previous Year ₹ 766.46 Lakhs). The company has a working capital of ₹4597.57 Lakhs (Previous Year ₹ 2520.10 Lakhs) include cash and bank balances (owned fund) of ₹ 2847.74 Lakhs (Previous Year ₹ 2617.10 Lakhs). The company believes that the working capital and other liquid assets are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Maturity profile of Financial Liabilities

The table below analysis of non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

(₹ In Lakhs)				
As at 31.03.2019	Within 1 Year	1 to 2 Years	2 to 5 years	More than 5 Years
Borrowings*	766.46	766.46	2299.37	927.40
Trade Payables	106.45	-	-	-
Other financial liabilities **	1004.16	-	-	-

(₹ In Lakhs)				
As at 31.03.2018	Within 1 Year	1 to 2 Years	2 to 5 years	More than 5 Years
Borrowings*	766.46	766.46	2299.37	1699.46
Trade Payables	103.99	-	-	-
Other financial liabilities	429.62	-	-	-

* Based on monthly fixed repayment of ₹ 63.87 Lakhs per month.

** Including client fund of ₹ 704.16 Lakhs (PY ₹ Nil)

2.31 Disclosure on Accounting Policies, Change in Accounting Estimates and Errors (Indian Accounting Standard -8) are as follows:

2.31.1 CHANGES IN ACCOUNTING POLICIES

(a) Revenue recognition

Ind AS-115 on Revenue from contracts with customers has been applicable w.e.f 1.4.2018. Ind AS-115 has replaced the existing Ind AS-18 & Ind AS-11 on revenue recognition. Accordingly, policies on revenue recognition are to be modified to align with new Ind AS-115 on revenue contract with customers. There is no material impact on account of change in this accounting policy.

(b) Prepaid expenses

Keeping in view size and nature of business limit for prepaid expenses has been enhanced from Rs. 1,00,000 to Rs 5,00,000 There is no material impact due change in this accounting policy.

(c) Prior Period Adjustments

Leverage is given in Ind As 8 to correct/adjust the prior period items based on materiality. Accordingly, policies on Prior Period Adjustments have been revised. Due to change of accounting policy, ₹ 3.45 Lakhs occurred during FY 2017-18 pertaining to previous period. It was earlier treated as prior expense and has been restated in the respective year to which pertains. Due to change of accounting policy, said amount has been recognized as expense of FY 2017-18 and resulted in reduction of profit and correspondingly reduced EPS of FY 2017-18 by ₹ 0.01.



(d) Impairment of Financial Assets

Accounting policies on Impairment of Financial Assets (Ind AS 109) has been reworded for better understanding and clarity. There is no impact of the same on the financial statements of the company.

2.31.2 Prior Period Transactions are as follows:

Nature	₹ In Lakhs	
	2018-19	2017-18
Finance Cost- On Advances	Nil	145.61
Total	Nil	145.61

2.31.3 Correction of Prior Period transaction with impact on profit.

2.31.3.1 Impact on Balance Sheet Items is as follows:

Prior Period for the Year Line Item	₹ In Lakhs	
	2018-19 Impact on 2017-18	2017-18 Prior to 01.04.2017
Other Financial Liabilities	Nil	145.61
Total Liabilities	Nil	145.61
(Net Equity)	Nil	(145.61)

2.32 Disclosures on Income Taxes (Indian Accounting Standard-12) are as follows:

2.32.1 Income tax expense in the statement of profit and loss comprises

Particulars	₹ In Lakhs	
	Year Ended	Year Ended
	31.03.2019	31.03.2018
Income Tax Expenses		
- Current Taxes (under MAT provision)	1128.50	837.87
- Deferred Tax(Net)	812.16	897.95
- Less: MAT Credit Entitlement	(1128.50)	(837.87)
Net Income Tax Expenses	812.16	897.95

Entire Deferred Tax for the current year ended March 31st, 2019 and Previous Year ended March 31, 2018 relates to origination and reversals of temporary differences.

2.32.2 Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate is summarized below:

Particulars	₹ In Lakhs	
	Year Ended	Year Ended
	31.03.2019	31.03.2018
Profit Before Income Taxes On Normal Business	4946.22	3922.48
Enacted Tax Rates in India On Normal Income	29.12%	28.84%
Enacted Tax Rates in India On Normal Income (under MAT provision)	21.55%	21.34%

Computed Expected Tax Expense	1440.34	1132.24
Tax Effect due to change in Tax Rate	20.16	(196.54)
Tax Effect due to change in Tax Rate(MAT)	1128.50	837.87
Tax Effect of MAT Credit c/f	(1128.50)	(837.87)
Effect of Non-Deductible Expenditures (NDE)	16.57	182.48
Tax effect due to non taxable income	(664.91)	(179.73)
Tax effect due to re-statement of prior period adjustment	-	(42.99)
Tax Reversal and Others	-	2.49
Current Tax Expense	812.16	897.95

The following table provides the details of income tax assets and liabilities as of March 31, 2019, and March 31, 2018:

(₹ In Lakhs)		
Particulars	As at	
	31.03.2019	31.03.2018
Income Tax Assets	393.52	320.63
Current income tax liabilities	(213.64)	(530.71)
Net Current Income Tax Assets/(Liability) at the end	179.88	(210.08)

The gross movement in the current income tax asset/ (liability) for the year current ended March 31, 2019 and previous year ended March 31, 2018 is as follows:

(₹ In Lakhs)		
Particulars	As at	
	31.03.2019	31.03.2018
Net current income tax asset/(liability) at the beginning	(210.08)	(293.96)
Income Tax paid-	1202.13	837.13
TDS FY 2016-17	-	144.70
Current income tax expense	(812.16)	(897.95)
Net Current Income Tax Asset/(Liability) at the end	(179.88)	(210.08)

The tax effects of significant temporary differences that resulted in deferred income tax asset and liabilities are as follows:

(₹ In Lakhs)		
Particulars	As at	
	31.03.2019	31.03.2018
Deferred Income Tax Assets:		
Un-Absorbed Depreciation/Business Loss	702.53	1617.41
Provision for expected credit risk	84.52	
Total Deferred Income Tax Assets - I	787.05	1617.41

Mat Credit Entitlement	2675.41	1546.91
Total Assets Including Mat Credit	3462.46	3164.32
Differed Income Tax Liabilities:		
Property Plant & Equipment, Furniture & Fixtures, (Depreciation diff)	3676.10	3694.29
Total Deferred Income Tax Liabilities – II	3676.10	3694.29
Deferred Income Tax Assets after set off	-	-
Deferred Income Tax Liabilities after set off	213.64	529.97

Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making the assessment.

Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of deferred income tax assets considered realizable, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The gross movement in the deferred income tax account for the current year March 31, 2019 and previous year ended March 31, 2018 are as follows:-

Particulars	(₹ In Lakhs)	
	Year ended 31.03.2019	Year ended 31.03.2018
Net deferred income tax asset/(liability) at the beginning	(529.97)	(469.89)
Mat credit entitlement	1128.50	837.87
Credit/(Change) relating to temporary differences	(812.16)	(897.95)
Net Deferred Income Tax Asset/(Liability) at the end	(213.64)	(529.97)

The composition of deferred liabilities assets relating to temporary differences during the Year ended March 31, 2019 are primarily on account of property plant and equipment, Preliminary expenses, Brought forwarded business losses & Un-absorbed depreciation.



2.33 Disclosures on Presentation of Financial Statements (Indian Accounting Standard-1) are as follows:

2.33.1 Capital Management

The Company's objective for capital management is to maximize shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are primarily being met through operating cash flows generated.

2.33.2 Subsequent Event -Dividends

Dividend paid during the financial year 2018-19 is ₹ 909.00 Lakhs (i.e. dividend of ₹ 1.298 per share to 7 crore equity shares) for the financial year 2017-18.

Dividend declared by the company is based on Net Worth or Profit after Tax as reported in the financial statement of the company and guidelines issued by Department of Public Enterprises (DPE). The Board of Directors of the company proposed a final dividend of ₹ 1241.00 Lakhs (₹ 1.773 per share to 7 crore equity shares) in respect of the Financial Year 2018-19 subject to approval of shareholders in Annual General Meeting. If approved, the dividend would result into cash outflow of ₹ 1496.09 Lakhs inclusive of dividend distribution tax of 255.09 Lakhs.

2.33.2 Assets and Liabilities are classified between current and non-current considering 12 months period as operating cycle.

Other Disclosures:

2.34 Information on CSR expenditure

(a) Up to Financial Year 2016-17, provision of section 135(1) of the companies Act, 2013 were not applicable

(b) Gross amount required to be spent during the year 2018-19 is ₹ 54.94 Lakhs (Previous Year ₹ 22.46 Lakh) including Previous Year unspent amount of ₹ 6.39 Lakh

				(₹ In Lakhs)
Particulars		Amount Paid during 2018-19	Amount Yet to paid during 2018-19	Total
(i)	Construction/acquisition of any assets	Nil	Nil	Nil
(ii)	On purposes other than (i) above	54.94	Nil	54.94
	Total	54.94	Nil	54.94

2.35 Expenditure in foreign currencies

Particulars	(₹ In Lakhs)	
	Year ended	
	31.03.2019	31.03.2018
Travel	-	3.28
Total	Nil	3.28

2.36 Details of dues to micro, small and medium enterprises as defined under the Micro and Small Enterprise Development Act, 2006* are given on the basis of information available with the management.

(₹ In Lakhs)

S.No.	Particulars	As at 31.03.2019	As at 31.03.2018
a	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year <ul style="list-style-type: none"> - Principal amount due to micro and small enterprises - Interest due on above 	0.39	0.09
b	The amount of interest paid by the buyer in terms of Section 16 of the Micro and Small Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c	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 Micro and Small Enterprises Development Act, 2006	-	-
d	The amount of interest due and remaining unpaid at the end of each accounting year	-	-
e	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 Section 23 of Micro and Small Enterprise Development Act, 2006.	-	-

*The company is providing consultancy services accordingly procurement made are mainly for stationery and other administration work through RITES Ltd (Holding Company).

The holding company (RITES Ltd.) has initiated the process of identification of suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collected only to the extent of information received.

2.37 Sundry creditors, customer's advances, amounts recoverable, security deposits receivable/payable are subject to confirmation.

2.38 Deferment of Income & Expense

The company has installed 26 MW Wind Mill plant at Jaisalmer, Rajasthan for utilization of energy generated from Wind Mill Plant by WCR for a period of 25 years in accordance with Power Purchase Agreement (PPA) signed between West Central Railways (WCR) and Company. The Wind mill Plant was commissioned on 16.10.2015 and since then energy generated from Wind Mill Plant is being continuously utilized by WCR up to 09.01.2017 at three Traction Sub Stations (TSS) (Bharatpur, Hindaun & Ramganj Mandi) in Rajasthan as a consumer of Rajasthan DISCOM Jaipur Vidyut Vitran Nigam limited (JVVNL).

With effect from 10.01.2017, status of WCR has been changed from consumer to "deemed distribution licensee" in Rajasthan. WCR started taking power at Six TSS as a deemed distribution licensee through open access route from M/s JITPL which includes 3 TSS (Bharatpur, Hindaun & Ramganj) where WCR was taking Wind power from company. Due to change in status of WCR from consumer to deemed distribution licensee, accountal/methodology for utilization of energy generated by Wind Mill Plant have gone under change. They (WCR) are contesting that after starting of open access connection at above mentioned three TSSs, existing connection have been disconnected from M/s JVVNL & final energy bill of M/s JVVNL have been passed with the set-off of wind power up to Dec'16 and thereafter the Kota division has paid the due amount of metered supply during Jan & Feb '17 to M/s JITPL and hence WCR has not agreed to pay bills for energy generated from Wind Mill Plant for the period from January 2017 to 26th April 17.

In present circumstances, there is uncertainty regarding realization of revenue. As per company's accounting policies, when there is uncertainty as to realisability, recognition of revenue is postponed until such uncertainty is removed. Therefore revenue amounting to ₹680.64 Lakhs for the period 10.01.2017 to 26.04.2017 has been postponed and not recognized. In this regard, a petition was filed in Rajasthan Electricity Regulatory Commission (RERC) for realization of the wind energy charges during this period (i.e. 10.01.2017 to 26.04.2017) as this power was fed into the state grid. As per RERC order dt.05.11.2018, "The commission is of the considered view that the petitioner (REMCL) is not entitled for Adjustment of energy wheeled from its CPP after termination of WBA". Accordingly petition was disposed off. Now, company has filed as appeal before APTEL on 20.12.2018 against this RERC order. The hearing is due on 25.05.2019

Wheeling and Transmission charges payable to Rajasthan state utilities are directly paid by WCR and deduction for the same is made by WCR in gross bill and only net amount i.e. after deduction towards wheeling & transmission is paid to REMCL on monthly basis. Therefore Wheeling & Transmission charges for the corresponding period i.e. 10.01.2017 to 26.04.2017 which are payable to Rajasthan state utilities has not been recognized and shown as contingent liability under note no. 2.28.

2.39 Pending execution of agreements/supplementary agreements, revenue amounting to ₹ NIL (Previous Year ₹ 524.23 Lakhs) pertaining to the current financial year has been recognized as un-billed revenue.

2.40 Disclosures on Revenue from contract with customers (Indian Accounting Standard-115)

The company presents revenue net of indirect taxes in its statement of profit & loss.

Revenue is recognized when (or) as an entity satisfies a performance obligation by transferring control of goods or services to a customer.

In case company satisfied condition of revenue recognition, the method used to determine performance obligation is as per the significant management judgements.

a) Disaggregation Revenue information:

The below presents Disaggregated Revenues from contract with customer for the year ended 31st March 2019 from various streams of revenue. The company believe that this Disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factor.

(₹ In Lakhs)						
Revenue Contracts customers	from with	Consultancy Services		Power Generations		Total Revenue
		Domestic	Abroad	Domestic	Abroad	
		6285.52	Nil	1862.81	Nil	
8148.33						

b) Trade receivable and contract balances

The company classifies the right to consideration in exchange of deliverables as either receivable or unbilled revenue.

Invoicing to the client is based on milestone as defined in the contract. This would result in timing of revenue recognition being different from the timing of billing to the customer. Unbilled revenue is classified as financial asset as contractual right to the consideration is depended on completion of contractual milestone.

Trade receivable and unbilled revenues are presented net of impairment in the Balance sheet.

During the year ended March31, 2019, the company recognized revenue of ₹. 71.19 Lakh arising from opening unearned revenue as of April1, 2018.

During the year ended March31, 2019, ₹ 524.23 Lakhs of unbilled revenue as of April1, 2018 has been reclassified to Trade receivables upon billing to customers on completion of milestones.

c) Significant management judgments on Revenue Recognition:

Recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. Considering the business practises and category of clients, clauses relating to surcharge for late payment are not being considered by the management.

d) Assets recognised from the cost to obtain or fulfil a contract:

- Cost for obtaining the contract: - Cost for obtaining the contract is negligible and charged to Statement of Profit & Loss at the time of incurring of expense.



- ii. Cost for fulfilling the contract: - Cost to fulfilling the contract is charged to Statement of Profit and Loss when it is not recoverable. Where ever cost to fulfilling the contract is recoverable it is recognized as unbilled revenue and assets.

2.41 Previous period figures have been regrouped/recasted/rearranged, wherever necessary.

2.42 Recent Accounting Pronouncement

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. At present, this Ind AS is not applicable in the company, will be implemented if required.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently considering the selection of method and evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 12 Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12 'Income Taxes' in connection with AS 12 accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19- plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19 'Employee Benefit' in connection with accounting for plan amendment, curtailment or settlement.

The amendments require entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.