INDEPENDENT AUDITOR'S REPORT

To the Members of SORIL Infra Resources Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of SORIL Infra Resources Limited("the Company"), which comprise the balance sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Property, Plant and Equipment The Company's policies on the property, plant and equipment are set out in note 3.6 to the standalone Financial Statements. The Companies carries property, plant and equipment with net written down value of ₹151.25 Crores as at 31 March 2021, with the majority of value attributed to plant & machinery as disclosed in note- 4 of the Standalone Financial Statements. However, due to their materiality in the contest of the company's Standalone Financial Statements as a whole and significant degree of the judgement and subjectivity involved in the estimates and key assumptions used, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as key audit matter for the current year audit.	Our Procedures in relation to the property, plant and equipment, but not limited to the following: • Assessed the appropriateness of the company's accounting policy by comparing with applicable Ind AS. • We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. • Enquired from the management and understood the internal controls related to completeness of the list of property, plant and equipment along with the process followed. • Performed test of details: a. For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the Standalone Financial Statements; b. Obtaining management reconciliation of property, plant and equipment and agreeing to general ledger. Further, all the significant reconciling items were tested; c. Analysing management's plan for the assets in the future and the associated consideration of Ind AS 16;

Key audit matter	How our audit addressed the key audit matter
	d. Reviewing the management impairment consideration documentation relating to the carrying value to property, plant and equipment; and e. Reviewing the appropriateness of the related disclosure within the Standalone Financial Statements

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

The Company's Board of Directors is responsible for the other information. The other information does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the

audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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 A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Standalone Financial Statements dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

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

    i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements as at 31 March 2021– Refer Note 32 to the Standalone Financial Statements.

    ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.

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

    In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31 March 2021 has been paid/provided by the company to its directors in accordance with the provisions of the section 197 read with schedule V to the Act.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Vikas Aggarwal
Partner
Membership No. 097848
UDIN: 21097848AAAADQ6540

Place: Gurugram
Date: 08 May 2021

Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2021, based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.

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

(c) The Company does not hold any immovable property (in the nature of property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act, and with respect to the same:

(a) in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.

(b) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular.

(c) there is no overdue amount in respect of loans granted to such companies.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax , Cess on account of any dispute, which have not been deposited.

(viii) In our opinion, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank during the year. Further, the Company has no loans or borrowings payable to a debenture holder or government during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197, read with schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company.

Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Standalone Financial Statements etc., as required by the applicable Ind AS.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Vikas Aggarwal
Partner
Membership No. 097848
UDIN: 21097848AAAADQ6540

Place: Gurugram
Date: 08 May 2021

Annexure B to the Independent Auditor's Report

With reference to the Annexure B referred to in the Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2021 of even date.

Independent Auditor's 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 with reference to Standalone Financial Statements of SORIL Infra Resources Limited ('the Company') as of 31 March 2021 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 Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone Financial Statements.

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

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial

Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31 March 2021, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Agarwal Prakash & Co.**
Chartered Accountants
Firm's Registration No.: 005975N

Vikas Aggarwal
Partner
Membership No. 097848
UDIN: 21097848AAAADQ6540

Place: Gurugram
Date: 08 May 2021

Balance Sheet
as at 31 March 2021

(₹ in crores)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
1 Non-current assets			
Property, plant and equipment	4	151.25	173.10
Right to use assets	5A	0.48	6.73
Other intangible assets	5B	0.63	0.81
Financial assets			
(i) Investments	6A	119.39	119.39
(ii) Loans	7A	0.11	0.21
(iii) Other financial assets	8A	0.22	0.13
Deferred tax assets, (net)	9	0.36	0.36
Non-current tax assets, (net)	10	2.74	12.43
		275.18	**313.16**
2 Current assets			
Inventories	11	10.25	13.09
Financial assets			
(i) Investments	6B	0.74	-
(ii) Trade receivables	12	82.28	69.34
(iii) Cash and cash equivalents	13	9.44	4.63
(iv) Other bank balances	14	1.02	1.07
(v) Loans	7B	250.93	194.62
(vi) Other financial assets	8B	0.67	0.68
Other current assets	15	8.11	11.54
		363.44	**294.97**
Total assets		**638.62**	**608.13**
EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	16	31.50	31.50
Share premium and other equity	17	203.94	195.28
Total equity		**235.44**	**226.78**
2 Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18A	18.41	25.88
(ii) Other financial liabilities (including lease liabilities)	19A	0.38	4.75
Provisions	20A	3.18	3.00
		21.97	**33.63**
Current liabilities			
Financial liabilities			
(i) Borrowings	18B	304.40	279.55
(ii) Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		15.36	9.36
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		20.88	18.65
(iii) Other financial liabilities (including lease liabilities)	19B	37.68	37.33
Other current liabilities	22	2.86	2.79
Provisions	20B	0.03	0.04
		381.21	**347.72**
Total liabilities		**403.18**	**381.35**
Total equity and liabilities		**638.62**	**608.13**
Summary of significant accounting policies	3		
Commitments and contingencies	32		

The accompanying notes are integral part of standalone financial statements.

As per our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership Number: 097848

Place: Gurugram
Date: 08 May 2021

For and on behalf of the Board of Directors

Anil Malhan
Executive Director
[DIN : 01542646]

Munish Taneja
Executive Director
[DIN : 08851660]

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Statement of Profit and Loss
for the year ended 31 March 2021

SORIL
INFRA RESOURCES

(₹ in crores)

	Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
I	**Income**			
	Revenue from operations	23	134.85	173.42
	Other income	24	25.93	20.77
	Total income		**160.78**	**194.19**
II	**Expenses**			
	Cost of material and services	25	88.77	111.79
	Employee benefits expense	26	24.60	37.96
	Finance costs	27	9.10	10.02
	Depreciation and amortisation expenses	28	21.00	23.88
	Other expenses	29	9.74	15.43
	Total expenses		**153.21**	**199.08**
III	**Profit/(Loss) before tax**		**7.57**	**(4.89)**
IV	**Tax expense:**	30		
	Current tax		-	-
	Deferred tax		-	-
V	**(Loss)/Profit for the year**		**7.57**	**(4.89)**
VI	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss in subsequent periods			
	(i) Re-measurement gain on defined benefits plans		0.25	0.23
	(ii) Income tax effect on above		-	-
	Total other comprehensive income, (net of tax)		**0.25**	**0.23**
VII	**Total comprehensive income for the year**		**7.82**	**(4.66)**
VIII	**Earnings per equity share**	31		
	Equity share of par value of ₹ 10 each			
	Basic (₹)		2.40	(1.65)
	Diluted (₹)		2.40	(1.65)
	Summary of significant accounting policies	3		
	Commitments and contingencies	32		

The accompanying notes are integral part of standalone financial statements.
As per our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership Number: 097848

Place: Gurugram
Date: 08 May 2021

For and on behalf of the Board of Directors

Anil Malhan
Executive Director
[DIN : 01542646]

Munish Taneja
Executive Director
[DIN : 08851660]

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Statement of Changes in Equity

for the year ended 31 March 2021

(₹ in crores)

A) Equity share capital*

Particulars	Numbers	Amount
As at 01 April 2019	31500000	31.50
Add: Issue of equity share capital	-	-
As at 31 March 2020	31500000	31.50
Add: Issue of equity share capital	-	-
As at 31 March 2021	31500000	31.50

*refer note 16 for details

B) Share premium and other equity**

Particulars	Reserves and Surplus			Total
	Securities premium	Deferred employee compensation reserve	Retained earnings	
Balance as at 01 April 2019	**327.42**	**5.45**	**(134.42)**	**198.45**
Loss for the year	-	-	(4.89)	(4.89)
Other comprehensive income for the year				
Re-measurement gain on defined benefits plans, (net of tax)	-	-	0.23	0.23
Total Comprehensive income for the year				**193.79**
Adjustment of transition of In AS 116	-	-	0.15	0.15
Dividend on preference shares	-	-	(0.27)	(0.27)
Dividend distribution tax thereon	-	-	(0.05)	(0.05)
Deferred employee compensation expenses	-	1.66	-	1.66
Balance as at 31 March 2020	**327.42**	**7.11**	**(139.25)**	**195.28**
Profit for the year	-	-	7.57	7.57
Other comprehensive income for the year				
Re-measurement gain on defined benefits plans (net of tax)	-	-	0.25	0.25
Total Comprehensive income for the year				203.10
Dividend distribution tax thereon	-	0.84	-	0.84
Balance as at 31 March 2021	**327.42**	**7.95**	**(131.43)**	**203.94**

**refer note 17 for details

Summary of significant accounting policies	3
Commitments and contingencies	32

The accompanying notes are integral part of standalone financial statements.
As per our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership Number: 097848

Place: Gurugram
Date: 08 May 2021

For and on behalf of the Board of Directors

Anil Malhan
Executive Director
[DIN : 01542646]

Munish Taneja
Executive Director
[DIN : 08851660]

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

Statement of Cash Flows

for the year ended 31 March 2021

SORIL
INFRA RESOURCES

(₹ in crores)

Particulars		Year ended 31 March 2021		Year ended 31 March 2020
A Cash flow from operating activities:				
Profit/(Loss) before tax		**7.57**		**(4.89)**
Adjustments to reconcile profit before tax to net cash flows:-				
Depreciation and amortization of PPE, ROU and Other intangible assets	21.00		23.88	
Finance costs	9.10		10.02	
Interest income	(23.81)		(16.66)	
Net gain on sale of units of mutual fund(s)	(0.09)		(0.21)	
Provisions no longer required written back	(0.73)		-	
Income on lease modification as per IndAS 116	(0.62)		-	
Unrealised foreign exchange loss/(gain), net	(0.01)		-	
Gain on fair value of investments	-		(3.42)	
Net profit on disposal of Property, plant and equipment	(0.51)		(0.29)	
Allowance for credit risk	3.32		0.59	
Provision for warranties of LED Lighting	0.13		0.18	
Provision for employee benefits	0.64		0.99	
Employee share based payments	0.84		1.66	
Sub-Total Adjustments		9.26		16.74
Operating profit before working capital changes and other adjustments:		**16.83**		**11.85**
Working capital changes and other adjustments:				
Trade receivables	(16.26)		12.89	
Other financial assets	0.01		(0.29)	
Other assets	4.15		3.97	
Loans	0.48		(0.03)	
Inventories	2.84		(7.09)	
Trade payables	8.93		10.03	
Other financial liabilities	3.36		1.79	
Other liabilities and provisions	(0.26)		(3.82)	
Sub-Total Adjustments		3.25		17.45
Cash generated from operating activities		**20.08**		**29.30**
Income taxes refund/(paid),(net)		10.54		4.65
Net cash flow from operating activities		**30.62**		**33.95**
B Cash flow from investing activities :				
Payment for purchase of Property, plant and equipment and other intangible assets (including capital advances)		(0.74)		(4.59)
Proceeds from sale of Property, plant and equipment		2.38		1.96
Loan (given)/received back to/from subsidiaries and others (net)		(48.46)		(90.40)
Interest received		14.66		12.45
Redemption/ (Purchase) of investments (net)		(0.71)		88.06

Statement of Cash Flows (contd.)
for the year ended 31 March 2021

(₹ in crores)

	Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Income from investments	0.09	0.25
	Movement in fixed deposits (net)	(0.01)	0.07
	Net cash flow (used in)/from investing activities	**(32.79)**	**7.80**
C	**Cash flow from financing activities :**		
	Borrowing/(repayment) of loans(net)	(16.33)	(43.35)
	Loan taken/(repaid) from/to subsidiary and others (net)	34.19	8.55
	Payment of lease liabilities	(0.91)	(2.82)
	Interest paid	(9.97)	(7.46)
	Dividend paid on preference share capital (including dividend distribution tax)	-	(0.32)
	Net cash (used in)/flow from financing activities	**6.98**	**(45.40)**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	4.81	(3.65)
E	Cash and cash equivalents at the beginning of the year	4.63	8.28
F	**Cash and cash equivalents at the end of the year (D+E)**	**9.44**	**4.63**
G	Components of cash and cash equivalents : (refer note-13)		
	(a) Cash on hand	0.12	0.15
	(b) Balances with banks		
	- in Current Accounts	9.32	4.48
	Total Cash and cash equivalents	**9.44**	**4.63**

Note:

1. Cash flow statement has been prepared under indirect method as set out in the IND AS 7 "Cash Flow Statement".
2. Previous year figures have been regrouped/ reclassified wherever applicable.

The accompanying notes are integral part of standalone financial statements.
As per our report of even date

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

For and on behalf of the Board of Directors

Vikas Aggarwal
Partner
Membership Number: 097848

Anil Malhan
Executive Director
[DIN : 01542646]

Munish Taneja
Executive Director
[DIN : 08851660]

Place: Gurugram
Date: 08 May 2021

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary

1. Corporate information

SORIL Infra Resources Limited ("the Company") is primarily engaged in the business to provides Equipment Renting Services, Management and Maintenance Services and LED Lighting.

The Company is a public limited company incorporated and domiciled in India and had shifted its registered office at Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram - 122016, Haryana from M-62 & 63, First Floor, Connaught Place, New Delhi–110001 with effect from 15 January 2019. The company has its listing on the BSE Limited and National Stock Exchange of India Limited. And as at 31 March 2019, Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited), the holding company owned 64.71% of the Company's equity share capital.

The Board of Directors approved the financial statements for the year ended 31 March 2021 and authorised for issue on 08 May 2021.

2. Basis preparation of financial statements

a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, these financial statements have been prepared on historical cost basis, except for the following material items in the financial statement:

i) Certain financial assets and liabilities are measured at fair value. (Refer accounting policy 3.2 for fair value)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

The accounting policies have been applied consistently over all the periods presented in these financial statements.

ii) Employees defined benefit obligation is reported as per actuarial valuation.

c) Classification of Current / Non-current assets and liabilities

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 "Presentation of financial statements".

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within twelve months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within twelve months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of any liability for at least twelve months after the reporting date.

All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in Cash or Cash Equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of Current / Non-current classification of assets and liabilities.

d) Significant management judgments in applying accounting policies and estimates and assumptions

Use of Estimates and Judgements

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below:

Expected credit loss on financial assets

The measurement of expected credit losses across all categories of financial assets except assets valued at FVTPL, requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining expected credit losses and the assessment of a significant increase in credit risk. The company calculate expected credit loss ("ECL") on trade receivable using a provision matrix on the basis of its credit loss experience.

Useful lives of Property, Plant and Equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset / component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the asset.

Impairment of non-financial assets

The Company uses judgment for impairment testing at the end of each reporting period for all non-financial assets.

Defined employee benefit assets and liabilities

The cost of defined benefit pension plans is determined by using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and standard rates of inflation. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company.

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities in the notes where economic outflows are considered possible but not probable.

Warranty

The Company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past performance of such products.

Provisions

Provisions are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The litigations and claims to which the Company is exposed are assessed by management and in certain cases with the support of external specialised lawyers.

Share based payment payments

Estimating fair value for share based payments transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield making assumptions about them.

The Company operates various equity-settled performance share plans. Employee of the Company receives remuneration in the form of share based payments, whereby employee render service as consideration for equity instruments (equity settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost of equity settled transactions is recognised in the statement of profit and loss, together with a corresponding increase in equity, representing contribution received by the company, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Company's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit and loss for a period represents movement in the cumulative expenses recognised in the financial statement.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

3.1. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

I. Financial assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

ii) Classification and subsequent measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

a) business model for managing the financial assets, and

b) The contractual cash flow characteristics of the financial asset.

A financial Asset is measured at amortised cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial Asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

II. Financial liabilities and Equity instruments

Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade payables and other liabilities.

ii) Classification and subsequent measurement

Financial liabilities are classified, as subsequently measured, at amortised cost.

Financial liabilities, other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognised in the statement of profit and loss.

III. Reclassification of financial assets and financial liabilities

The Company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

IV. De-recognition of financial assets and financial liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset;

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset;

Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in statement of profit and loss.

Offsetting of financial instruments

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

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments- for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. At every reporting date, the historically observed default are observed and changes in the forward looking estimates are done.

Write-offs

Financial assets are written off either partially or in their entirety only when the recovery of the amount due is considered unlikely. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.

V. Hedge accounting- cash flow hedges

The Company designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The Company uses hedging instruments that are governed by the policies of the Company and its subsidiaries which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects the profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the statement of profit and loss.

3.2. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each reporting date using valuation techniques.

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

In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

3.3. Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (₹). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to nearest crores upto two decimal places, unless otherwise stated.

Foreign currency transactions and balances

Transactions in currencies other than Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the date of transaction.

At the end of the reporting period, monetary items denominated in foreign currencies are reported using the exchange rate prevailing as at reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the exchange rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognised as income or expenses in the year in which they arise.

3.4. Revenue recognition

The Company earns revenue primarily from providing equipment renting services, management and maintenance services, sale of LED lightings and financing and related activities.

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

a) Sale of goods

Revenue from the sale of the Company's LED lights and trading in machines is recognised when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations.

The customer obtains control of the goods when the significant risks and rewards of products sold are transferred to the customer, being at the point the goods are delivered to and accepted by the customer, according to the specific delivery terms that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the customer concerned, which is consistent with market practice.

b) Rendering of services

Income from services of equipment renting and management and maintenance services rendered are recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Contract balances

Trade receivables

A trade receivable is recognised when the products and/or services are delivered to a customer as this is the point in time that the consideration becomes unconditional because only a passage of time is required before the payment is due.

Contract assets, which is a Company's right to consideration that is conditional on something other than the passage of time. Currently there are no contract assets.

Contract liabilities

Contract liabilities, which is a Company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relate mainly to advance payments from customers. Contract liabilities are recognised as revenue when the Company performs under the contract.

c) Others

- Profit on sale of fixed assets is recognized on the date the recipient obtains control of the sold asset.
- Dividend income is recognized when the right to receive payment is established, at the balance sheet date.
- Profit on sale of investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as on date of sale.

3.5. Investments in subsidiaries

Investment in equity instruments of subsidiaries are stated at cost as per Ind AS 27 'Separate Financial Statements'.

3.6. Property, Plant and Equipment

Recognition and measurement

I. Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and accumulated impairment losses, if any.

II. The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

III. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the statement of profit and loss when property, plant and equipment is derecognised.

IV. The carrying amount of any component accounted as a separate component is derecognised, when replaced or when the property, plant and equipment to which the component relates gets derecognised.

Subsequent costs

V. Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably.

VI. All other repairs and maintenance are charged to statement of profit and loss at the time of incurrence.

Capital work-in-progress

VII. Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

VIII. The Residual values, useful life and method of depreciation of PPE are reviewed at regular intervals and adjusted prospectively, if appropriate.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to statement of profit and loss. The residual values are not more than 5% of the original cost of the asset.

Depreciation on all tangible assets is provided on straight line method at the rates computed on the basis of useful life provided in Schedule II of the Companies Act, 2013. Depreciation is calculated on a pro-rata basis for assets purchased/ sold during the year.

The management reviews the useful life to ensure fair approximation of the period over which the assets are likely to be used.

Impairment

The carrying amounts of the Company non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit").

The recoverable amount of an asset or cash generating unit (CGU) is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated pre-tax future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets.

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount.

An impairment loss in respect of prior periods is assessed at each reporting date for any indications that the impairment loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such reversal of impairment loss is recognised in the statement of profit and loss.

3.7. Intangible assets:

Recognition and measurement

a). Intangible assets acquired are measured on initial recognition at cost. Cost comprises the purchase price (net of tax/duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

b). An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation

A summary of the policies applied to the intangible assets is, as follows:

Description of asset	Estimated life (in years)	Amortisation method used(in years)
Computer software	4 years	Amortised on a straight-line basis over the useful life
Leasehold - land	11 years	11 years (as per terms of agreement)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period.

3.8. Leases

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

i). the contract involves the use of an identified asset;

ii). the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and

iii). the Company has the right to direct the use of the asset.

Company as a lessee:

Right-of-use assets ("ROU")

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset and the average lease terms are as follows:

Right of use assets	Average (range) lease terms (in years)
Leasehold- Machinery yards	3- 5
Leasehold- Warehouses and office spaces	3- 5

The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The Company uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, the commencement date; and extension option payments or purchase options payments which the Company is reasonably certain to exercise.

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. Non-lease components in contracts are separated from lease components and accordingly accounted for in operating profit on a cost incurred basis.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Lease liability (Financial liabilities) and ROU asset have been separately presented in the balance sheet and related cash flows are classified as financing activities in the statement of cash flows.

Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised separately.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value of lease payments. The related cash flows are classified as operating activities in the statement of cash flows.

3.9. Inventories

Inventories are valued at the lower of cost (including non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate.

Cost of inventories is determined using the weighted average cost method and includes purchase price, and all direct costs incurred in bringing the inventories to their present location and condition.

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

3.10.Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans- Gratuity

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits- Compensated absences

The benefits under compensated expenses are accounted as other long-term employee benefits. The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Re-measurements are recognised in statement of profit and loss in the period in which they arise.

Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the current and non-current provisions has been made as determined by an actuary. The Company presents the entire compensated absences as short-term provisions, since employee has an unconditional right to avail the leave at any time during the year.

3.11.Income tax

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

a). Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

b). Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on Company forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised 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 realised 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 statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

c). Minimum alternate tax credit

Minimum alternate tax credit ('MAT') credit entitlement is recognised as an asset only when to the extend there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement written down to the extend it is not reasonably certain that normal income tax will be paid during the specified period.

3.12.Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors of the Company who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Operating segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

3.13.Provisions, contingent liabilities and contingent assets

Provisions are recognized only when

i). an entity has a present obligation (legal or constructive) as result of a past event; and

ii). It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii). A reliable estimate can be made of the amount of the obligation.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in case of:

i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

ii). A present obligation arising from past events, when no reliable estimate is possible.

Contingent assets

Contingent assets are not recognised in the financial statements.

3.14.Borrowing costs

Borrowing costs includes interest and other costs incurred in connection with the borrowing of funds and charged to the statement of profit and loss on the basis of effective interest rate (EIR) method.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

3.15.Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue or any other share transactions that changes the number of shares outstanding without a corresponding change in resources.

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

3.16.Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, balances with banks, short term demand deposits with original maturity upto three months and other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flow is reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.17.Share issue expenses

Share issue expenses, net of tax, are adjusted against the securities premium account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the statement of profit and loss, as incurred.

(₹ in crores)

Note - 4

Property, plant and equipment

Particulars	Gross carrying amount(at cost)				Accumulated depreciation				Net carrying amount	
	As at 01 April 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 01 April 2020	Charged for the year	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Plant and equipments	233.66	-	(4.81)	228.85	83.95	16.36	(2.99)	97.32	131.53	149.71
Furniture and fixtures	20.98	-	-	20.98	19.34	0.14	-	19.48	1.50	1.64
Vehicles	30.02	-	(1.26)	28.76	9.11	3.09	(1.20)	11.00	17.76	20.91
Office equipments	0.58	-	-	0.58	0.40	0.05	-	0.45	0.13	0.18
Computers	2.47	-	-	2.47	1.81	0.33	-	2.14	0.33	0.66
Temporary building	0.03	-	(0.03)	-	0.03	-	(0.03)	-	-	-
Total	**287.74**	**-**	**(6.10)**	**281.64**	**114.64**	**19.97**	**(4.22)**	**130.39**	**151.25**	**173.10**

Particulars	Gross carrying amount(at cost)				Accumulated depreciation				Net carrying amount	
	As at 01 April 2019	Additions	Disposals/ adjustments	As at 31 March 2020	As at 01 April 2019	Charged for the year	Disposals/ adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Plant and equipments	233.78	3.02	(3.14)	233.66	68.89	16.64	(1.58)	83.95	149.71	164.89
Furniture and fixtures	20.96	0.02	-	20.98	18.80	0.54	-	19.34	1.64	2.16
Vehicles	29.02	1.90	(0.90)	30.02	6.45	3.44	(0.78)	9.11	20.91	22.57
Office equipments	0.53	0.05	-	0.58	0.33	0.07	-	0.40	0.18	0.20
Computers	2.10	0.37	-	2.47	1.35	0.46	-	1.81	0.66	0.75
Temporary building	0.03	-	-	0.03	0.03	-	-	0.03	-	-
Total	**286.42**	**5.36**	**(4.04)**	**287.74**	**95.85**	**21.15**	**(2.36)**	**114.64**	**173.10**	**190.57**

Note:

Discarded fixed assets:-

During the year ended 31 March 2021, the Company has discarded temporary building at gross book value of ₹ 0.03 crore.

Property, plant and equipment pledge as security:

Hypothecation of plant and equipments and vehicles as per the respective loan agreement disclosed in note no 18.

(₹ in crores)

Note - 5A

Right to use asset*

Particulars	Gross carrying amount(at cost)				Accumulated depreciation				Net carrying amount	
	As at 01 April 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 01 April 2020	Charged for the year	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Leasehold										
Machinery yards	0.55	-	(0.40)	0.15	0.15	0.16	(0.24)	0.07	0.08	0.40
Warehouses and office spaces	8.74	0.47	(8.75)	0.46	2.41	0.69	(3.04)	0.06	0.40	6.33
Total	**9.29**	**0.47**	**(9.15)**	**0.61**	**2.56**	**0.85**	**(3.28)**	**0.13**	**0.48**	**6.73**

Particulars	Gross carrying amount(at cost)				Accumulated depreciation				Net carrying amount	
	As at 01 April 2019	Additions	Disposals/ adjustments	As at 31 March 2020	As at 01 April 2019	Charged for the year	Disposals/ adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Leasehold										
Machinery yards	-	0.55	-	0.55	-	0.15	-	0.15	0.40	-
Warehouses and office spaces	-	8.74	-	8.74	-	2.41	-	2.41	6.33	-
Total	**-**	**9.29**	**-**	**9.29**	**-**	**2.56**	**-**	**2.56**	**6.73**	**-**

*Refer note- 35 on Leasing arrangements

Note - 5B

Other intangible assets

Particulars	Gross carrying amount(at cost)				Accumulated amortisation				Net carrying amount	
	As at 01 April 2020	Additions	Disposals/ adjustments	As at 31 March 2021	As at 01 April 2020	Charged for the year	Disposals/ adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer softwares	0.27	-	-	0.27	0.11	0.07	-	0.18	0.09	0.16
Leasehold - land	1.17	-	-	1.17	0.52	0.11	-	0.63	0.54	0.65
Total	**1.44**	**-**	**-**	**1.44**	**0.63**	**0.18**	**-**	**0.81**	**0.63**	**0.81**

Particulars	Gross carrying amount(at cost)				Accumulated amortisation				Net carrying amount	
	As at 01 April 2019	Additions	Disposals/ adjustments	As at 31 March 2020	As at 01 April 2019	Charged for the year	Disposals/ adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Computer softwares	0.16	0.11	-	0.27	0.05	0.06	-	0.11	0.16	0.11
Leasehold - land	1.17	-	-	1.17	0.41	0.11	-	0.52	0.65	0.76
Total	**1.33**	**0.11**	**-**	**1.44**	**0.46**	**0.17**	**-**	**0.63**	**0.81**	**0.87**

(₹ in crores)

Note - 6

		As at 31 March 2021	As at 31 March 2020
A	**Investments - non-current**		
	Investments in equity instruments of subsidiary companies (unquoted)		
	(valued at cost) {Refer note- 33}		
	Store One Infra Resources Limited[1550000 (31 March 2020: 1550000) ordinary shares of ₹10 each fully paid up]	1.55	1.55
	Indiabulls Rural Finance Private Limited*	117.84	117.84
	[41797400 (31 March 2020: 41797400) ordinary shares of ₹10 each fully paid up]		
	Investment in trust**		
	(valued at cost)		
	SORIL Infra Resources Limited – Employees Welfare Trust	0.00	0.00
		119.39	**119.39**
B	**Investments - current**		
	At fair value through profit or loss (FVTPL)		
	Investment in mutual funds (quoted)		
	Indiabulls Overnight Fund - Direct Plan - Growth	0.74	-
	[6904.357 (31 March 2020: Nil) units]		
		0.74	**-**
	Aggregate value of unquoted investments	119.39	119.39
	Aggregate book value of quoted investments	0.74	-
	Aggregate market value of quoted investments	0.74	-

Method of fair value

Class of Investment	Method	Fair value at	
		31 March 2021	31 March 2020
Liquid mutual fund units	Quoted Price	0.74	-

*On 25 January 2019, the company acquired 100% of the voting interest in Indiabulls Rural Finance Private Limited, to engage in rural finance business vide RBI approval letter no. DNBS.CMD.No. 829/13.12.037/2018-19 dated 12 December 2018. The business acquisition was conducted by entering into a share purchase agreement for a total consideration of upto ₹ 2.84 crore against net worth of business of ₹ 2.14 crore. The Company made further investment of ₹ 15.00 crore and ₹ 100.00 crore, dated 21 February 2019 and 29 March 2019 respectively.

**During the previous year, the Company has created an employees welfare trust titled “SORIL Infra Resources Limited – Employees Welfare Trust” (the “Trust”) to efficiently manage the current as well as any future share based employees benefits schemes.

Refer note 41 for information about fair value measurement.

(₹ in crores)

	As at 31 March 2021	As at 31 March 2020
Note - 7		
A Loans - non-current*		
(Considered good, Unsecured)		
Security deposits	0.11	0.21
	0.11	**0.21**
B Loans - current*		
(Considered good, Unsecured)		
Security deposits	3.38	3.77
Inter-corporate loans given**	234.76	186.30
Interest accrued on Inter-corporate loans given**	12.79	4.55
	250.93	**194.62**

* The Company does not have any loans and security deposits which are either credit impaired or where there is significant increase in credit risk.

**Refer note- 38 for related party transactions

	As at 31 March 2021	As at 31 March 2020
Note - 8		
A Other financial assets - non-current		
Bank deposits with more than 12 months maturity*	0.21	0.13
Interest accrued on bank deposits	0.01	0.00
	0.22	**0.13**
B Other financial assets - current		
(Considered good, Unsecured)		
Others receivables**	0.67	0.68
	0.67	**0.68**

*Bank deposit amounting to ₹ 0.21 crore (excluding accrued interest) (31 March 2020: ₹ 0.13 crore) have been lodged as security either with government authorities or pledged against bank guarantees or letter of credits.

**Refer note- 38 for related party transactions.

	As at 31 March 2021	As at 31 March 2020
Note - 9		
Deferred tax assets (net)		
Deferred tax asset arising on account of: (Refer note 30)		
Minimum Alternative Tax credit entitlement	**0.36**	**0.36**
	0.36	**0.36**
Note - 10		
Non-current tax assets (net)		
Advance income tax, including tax deducted at source (net of provisions)	2.74	12.43
	2.74	**12.43**

(₹ in crores)

	As at 31 March 2021	As at 31 March 2020
Note - 11		
Inventories		
(Valued at lower of cost and net realisable value)		
{refer accounting policy 3.9}		
Traded goods		
Stock of LED Lighting	8.75	11.11
Stock of trading goods	1.09	1.51
Stores and spares	0.47	0.47
	10.31	13.09
Less : Provision for slow moving and non-moving stock	0.06	-
	10.25	**13.09**
Note:		
(a) The above includes goods in transit as under:		
Stock of LED Lighting	-	0.55

(b) The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving and non-moving stock. Provision for slow moving and non-moving stock in the current year is ₹ 0.06 Crore (Previous year ₹ Nil).

	As at 31 March 2021	As at 31 March 2020
Note - 12		
Trade receivables - current		
Unsecured		
Considered good*	82.28	69.34
Receivables which have significant increase in credit risk	3.91	0.59
	86.19	**69.93**
Less : Allowance for credit risk	3.91	0.59
Trade receivables (net)	**82.28**	**69.34**

*Includes unbilled debtors during the year ended 31 March 2021 : ₹ 0.34 crore (31 March 2020: ₹ 0.00 crore).

Refer note 41 for information about credit risk and market risk of trade receivables.

	As at 31 March 2021	As at 31 March 2020
Note - 13		
Cash and cash equivalents		
Cash on hand	0.12	0.15
Balances with banks:		
In current accounts	9.32	4.48
	9.44	**4.63**

Note

a) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(₹ in crores)

b) The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Lease Liabilities		Non-current and current borrowings (including current maturities)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Opening balance	7.22	5.71	325.41	360.21
Transition impact on account of adoption of Ind AS 116 {refer note 35}	-	3.45	-	-
Addition on account of new leases during the year {refer note 35}	0.47	0.14	-	-
Deduction/Adjustment of leases during the year {refer note 35}	(6.48)	-	-	-
Cash flows	(0.70)	(2.08)	17.86	(34.80)
Interest expense	0.21	0.74	8.82	9.09
Net accrued interest	-	-	1.14	(1.63)
Interest paid	(0.21)	(0.74)	(9.97)	(7.46)
Closing balance	**0.51**	**7.22**	**343.26**	**325.41**
Borrowing (Long term and short term)	-	-	322.81	305.43
Non-current financial liabilities {refer note 19 (A)}	0.38	4.75	-	-
Current maturities of long term borrowing {refer note 19 (B)}	-	-	20.45	19.98
Current maturities of long term lease liabilities {refer note 19 (B)}	0.13	2.47	-	-

	As at 31 March 2021	As at 31 March 2020
Note - 14		
Other bank balances		
Bank deposits*		
With maturity of more than three months and upto twelve months	**1.02**	**1.07**
	1.02	**1.07**

*Bank deposit amounting to ₹ 0.99 crore (excluding accrued interest) (31 March 2020: ₹ 1.06 crore) have been lodged as security either with government authorities or pledged against bank guarantees or letter of credits.

Note - 15		
Other current assets		
(Considered good - Unsecured)		
Capital advances	0.74	-
Advances for materials and services	3.08	6.38
Other receivables:		
Prepaid expenses	0.80	1.75
Balances with statutory authorities	3.36	3.29
Others	0.13	0.12
	8.11	**11.54**

(₹ in crores)

		As at 31 March 2021		As at 31 March 2020	
		Number	Amount	Number	Amount
Note - 16					
Equity share capital					
i	**Authorised**				
	Equity share capital of face value of ₹ 10 each	75000000	75.00	75000000	75.00
	Preference shares of face value ₹ 10 each (refer note (vii) & (viii) below)	4000000	4.00	4000000	4.00
			79.00		**79.00**
ii	**Issued, subscribed and fully paid up**				
	Equity share capital of face value of ₹ 10 each fully paid up	31500000	31.50	31500000	31.50
			31.50		**31.50**
iii	**Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**				
	Equity shares				
	Balance at the beginning of the year	31500000	31.50	31500000	31.50
	Increase/(decrease) during the year	-	-	-	-
		31500000	**31.50**	**31500000**	**31.50**
iv	**Details of shareholder holding more than 5% share capital**				
	Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited) Equity shares of face value ₹ 10 each	20383310	20.38	20383310	20.38
	Steadview Capital Limited Equity shares of face value ₹ 10 each	3118500	3.12	3118500	3.12

v Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to receive dividends as declared from time to time and one vote per share.

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

vi There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date.

vii 9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each fully paid up issued at premium of ₹ 870 each is presented as unsecured borrowings.

viii Dividend on preference share @ 9% per annum has to be accrued and paid on approval by the Board of Directors. Preference dividend is presented as finance cost in congruence with the presentation of preference share as unsecured borrowings.

ix There are no securities which are convertible into equity shares.

(₹ in crores)

	As at 31 March 2021	As at 31 March 2020
Note - 17		
Share premium and other equity		
Refer statement of changes in equity for detailed movement in equity balance.		
Reserves and surplus		
Securities premium	327.42	327.42
Deferred employee compensation reserve	7.95	7.11
Retained earnings	(131.43)	(139.25)
	203.94	**195.28**

The description of the nature and purpose of each reserve within equity is as follows:

a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

b) Deferred employee compensation reserve

The reserve is used to recognize the expenses related to stock options issued to employees under the Company's employee stock option scheme.

c) Retained earning

Retained earnings are created from the profit/loss of the Company, as adjusted for distributions to owners, dividend distribution and transfers to other reserves etc.

(₹ in crores)

		As at 31 March 2021		As at 31 March 2020
Note - 18				
A Borrowings non-current				
Secured borrowings:				
Term loans from banks	32.78		35.33	
Less: Current maturities of long-term borrowings (refer note 19)	15.65	17.13	15.53	19.80
Term loans from other financial institution	6.08		10.53	
Less: Current maturities of long-term borrowings (refer note 19)	4.80	1.28	4.45	6.08
		18.41		**25.88**

Repayment terms (including current maturities) and security details

Name of the bank and others	As at	Loan outstanding	Rate of interest	Repayment terms	Nature of security
HDFC Bank Limited	31 March 2021	0.24	8.50%	37 equated monthly installments from date of disbursal.	Secured by hypothecation of assets being financed and corporate guarantee given by the Holding Company.
	31 March 2020	0.39			
	31 March 2021	2.28	9.00 to 9.01%	30 equated monthly installments from date of disbursal.	
	31 March 2020	4.07			
	31 March 2021	15.94	8.50 to 9.10%	47 equated monthly installments from date of disbursal.	
	31 March 2020	18.16			
HDFC Bank Limited	31 March 2021	4.68	8.25%	48 equated monthly installments from date of disbursal.	Secured by hypothecation of assets being financed.
	31 March 2020	-			
Kotak Mahindra Bank Limited	31 March 2021	1.31	8.30%	47 equated monthly installments from date of disbursal.	
	31 March 2020	2.12			
ICICI Bank Limited	31 March 2021	2.55	9.40%	47 equated monthly installments from date of disbursal.	
	31 March 2020	3.02			
Yes Bank Limited	31 March 2021	1.39	9.78%	47 equated monthly installments from date of disbursal.	
	31 March 2020	1.81			
Axis Bank Limited	31 March 2021	4.39	8.31% to 9.11%	47 equated monthly instalments from date of disbursal.	
	31 March 2020	5.75			
SREI Equipment Finance Limited	31 March 2021	6.08	7.7 to 7.85%	47 equated monthly installments from date of disbursal.	
	31 March 2020	10.53			
Total	**31 March 2021**	**38.86**			
	31 March 2020	**45.86**			

(₹ in crores)

			As at 31 March 2021		As at 31 March 2020
B	**Borrowings-current**				
	Secured borrowings:				
	Working capital loan from bank (refer note (v) below)		-		9.34
	Inter-corporate loan taken* (refer note (vi) below)		42.74		-
	Unsecured borrowings:				
	Preference Shares	**Number**		**Number**	
	9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each	2973450	261.66	2973450	261.66
	Inter-corporate loan taken*		-		8.55
			304.40		**279.55**
	*Refer note- 38 for related party transactions				
i	**Reconciliation of number of preference shares outstanding at the beginning and at the end of the year**				
	Balance at the beginning of the year	2973450	261.66	2973450	261.66
	Increase/(decrease) during the year	-	-	-	-
	Balance at the end of the year	**2973450**	**261.66**	**2973450**	**261.66**

ii **Rights, preferences and restrictions attached to preference shares**

The holders of preference shares participate only to the extent of the face value of the shares.

iii **Details of preference shareholder holding more than 5% share capital**

Name of the preference shareholder	**Number of shares**	**Number of shares**
- Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited)	1979500	1979500
Albasta Wholesale Services Limited	993950	993950

iv 9% Redeemable non -cumulative, non-convertible preference share of face value of ₹ 10 each fully paid up issued at premium of ₹ 870 each is presented as unsecured borrowings as per Indian accounting standard.

v The Company had working capital facility with RBL Bank Limited at interest rate of 10.10% per annum. The facility has been repaid in entirety and charged satisfied during the year.

vi Loan against hypothecation of plant and equipments and vehicles of ₹ 89.00 crore at original cost.

vii The Company has not defaulted on any loans payable during the year.

viii No borrowing cost has been capitalised in Property, plant and equipment and Other intangible assets.

(₹ in crores)

		As at 31 March 2021	As at 31 March 2020
Note - 19			
A	**Other financial liabilities - non current**		
	Lease liabilities (Refer note- 35)	0.38	4.75
		0.38	**4.75**
B	**Other financial liabilities - current**		
	Current maturities of long term borrowings from banks and other financial institution	20.45	19.98
	Current maturities of long term lease liabilities (Refer note- 35)	0.13	2.47
	Interest accrued but not due on loans*	0.20	1.34
	Security deposits-other	2.48	1.20
	Other payables	14.42	12.34
		37.68	**37.33**
	*Refer note- 38 for related party transactions		
Note - 20			
A	**Provisions non-current**		
	Provision for employee benefits:		
	Gratuity (Refer note- 36)	1.64	1.48
	Compensated absences (Refer note- 36)	1.05	1.16
	Provision for warranties of LED Lighting*	0.49	0.36
		3.18	**3.00**
B	**Provisions -current**		
	Provision for employee benefits:		
	Gratuity (Refer note- 36)	0.01	0.02
	Compensated absences (Refer note- 36)	0.02	0.02
		0.03	**0.04**

***Details of warranty obligation on LED Lights sold:**

Particulars	Amount	Amount
(a) The carrying amount at the beginning of the year	0.36	0.18
(b) Aadditional provisions made during the year, including increases to existing provisions	0.13	0.18
(c) Amounts used, that is incurred and charged against the provision, during the year	-	-
(d) Unused amounts reversed during the year	-	-
(e) The carrying amount at the end of the year	0.49	0.36

		As at 31 March 2021	As at 31 March 2020
Note - 21			
Trade payables - current			
-	Total outstanding dues of micro enterprises and small enterprises*	15.36	9.36
-	Total outstanding dues of creditors other than micro enterprises and small enterprises	20.88	18.65
		36.24	**28.01**

(₹ in crores)

***Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")as at:**

Particulars		31 March 2021 Amount	31 March 2020 Amount
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	15.36	9.36
ii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	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 this Act;	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.22	0.20
v)	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.	Nil	Nil

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2021	As at 31 March 2020
Note - 22		
Other current liabilities		
Advance from customers	1.90	0.81
Other liabilities		
Statutory dues Payable	0.95	1.95
Other payables	0.01	0.03
	2.86	**2.79**

(₹ in crores)

	Year ended 31 March 2021	Year ended 31 March 2020
Note - 23		
Revenue from operations		
Revenue from services:		
Income from equipment renting services	46.22	75.37
Income from management and maintenance services*	37.89	24.75
Revenue from trading of goods:		
Sale of LED Lighting	50.16	68.24
Sale of others	0.58	5.06
	134.85	**173.42**
*Includes unbilled revenue during the year ended 31 March 2021 : ₹ 0.34 crore (31 March 2020: ₹ 0.00 crore).		
Note - 24		
Other income		
Interest income on loans*	22.84	15.58
Gain on fair value of investments	-	3.42
Interest on income tax refund	0.88	1.00
Provisions no longer required written back	0.73	-
Net profit on disposal of Property, plant and equipment	0.51	0.29
Income on lease modification as per IndAS 116	0.62	-
Interest income on fixed deposits	0.09	0.07
Net gain on sale of units of mutual fund(s)	0.09	0.21
Miscellaneous income	0.17	0.20
	25.93	**20.77**
*Refer note 38 for related party transactions		
Note - 25		
Cost of Material and Services		
Cost of LED Lighting and services	44.49	51.93
Property management and assets maintenance services	27.71	28.00
Cost of equipment renting services	16.57	31.86
	88.77	**111.79**
Note - 26		
Employee benefits expense		
Salaries and wages	22.55	34.25
Gratuity and compensated absences (Refer note- 36)	0.64	0.99
Contribution to Provident Fund and other Funds	0.28	0.48
Employee share based payments (Refer note - 39)	0.84	1.66
Staff welfare expenses	0.29	0.58
	24.60	**37.96**

(₹ in crores)

	Year ended 31 March 2021	Year ended 31 March 2020
Note - 27		
Finance costs		
Interest on borrowings*	8.82	9.09
Interest on lease liabilities** (Refer note- 35)	0.21	0.74
Interest on micro enterprises and small enterprises	0.03	0.14
Miscellaneous financial expenses	0.04	0.05
	9.10	**10.02**

*Refer note- 38 for related party transactions

**Subsequent to introduction of Ind AS 116 Leases, the Company has recognised Long-term leases as ROU Assets and created lease obligation representing present value of future minimum lease payments. The unwinding of such obligation is recognised as interest expense.

	Year ended 31 March 2021	Year ended 31 March 2020
Note - 28		
Depreciation and amortisation expense		
Depreciation on property, plant and equipment	19.97	21.15
Amortisation on right to use assets	0.85	2.56
Amortisation on other intangible assets	0.18	0.17
	21.00	**23.88**

	Year ended 31 March 2021	Year ended 31 March 2020
Note - 29		
Other expenses		
Advertisement and sales promotion	1.09	4.93
Travelling and conveyance expenses	1.24	4.43
Legal and professional charges	0.86	1.62
Rates and taxes	0.66	1.09
Insurance expenses	0.91	1.01
Allowance for credit risk	3.32	0.59
Corporate social responsibility expenses (refer note-ii below)	0.18	0.43
Auditor's remuneration (refer note-(i) below)	0.27	0.28
Communication expenses	0.11	0.27
Warranty expenses	0.13	0.18
Director sitting fees	0.12	0.06
Rent expenses*	0.49	0.07
Miscellaneous expenses (refer note-iii below)	0.36	0.47
	9.74	**15.43**

*(Refer note- 35 Includes impact of leases accounting)

(₹ in crores)

		Year ended 31 March 2021	Year ended 31 March 2020
(i)	**Details of auditor's remuneration**		
	Audit fees	0.25	0.26
	Other services	0.02	0.03
		0.27	**0.28**

(ii) Details of Corporate social responsibility expenses

The Company through its implementing agency "Indiabulls Foundation" has initiated "Promotion of Education including scholarship to students" in various states of India.

(a) The gross amount required to be spent by the Company under Section 135 of the Companies Act, 2013 for the year is ₹ 0.18 crore (31 March 2020: ₹ 0.43 crore) i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

(b) No amount has been spent on construction/acquisition of any assets by the Company.

(c) Payment during the year ended 31 March 2021 : ₹ 0.18 crore (31 March 2020: ₹ 0.43 crore).

(iii) Miscellaneous expenses includes software charges, office expenses, printing and stationery, bank charges etc. and does not include any item of expenditure with a value of more than 1% of the revenue from operations or ₹ 10,00,000, whichever is higher.

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
Note - 30			
Tax expense			
a)	**Tax expense comprises of:**		
	Current tax	-	-
	Deferred tax (refer accounting policy 3.12)	-	-
	Income tax expense reported in the statement of profit and loss	**-**	**-**
b)	**Other Comprehensive Income**		
	Income tax related to items recognised in OCI during the year:		
	Re-measurement gain on defined benefits plans	-	-
	Income tax related to items recognised in OCI during the year	**-**	**-**

(₹ in crores)

Reconciliation of tax expenses and the accounting (loss)/profit multiplied by domestic tax rate:

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Accounting (loss)/profit before tax	7.57	(4.89)
Statutory income tax rate	34.94%	25.17%
Computed tax (credit)/expenses	2.65	(1.23)
Effect of non- deductible expenses	(29.85)	1.32
Effect of tax rate difference on Capital Gain/ loss transactions	-	(0.09)
Effect of allowances for tax purposes- Set off with b/f losses	27.20	-
Income tax expenses	-	-

As on 01 April 2020, total losses consists of unabsorbed cash losses and unabsorbed depreciation of ₹ 0.00 crore (previous year: ₹ 13.38 crore) and ₹ 57.53 crore (previous year: ₹ 54.30 crore) respectively.

The movement in gross deferred income tax assets for the year ended 31 March 2021 is as follows:

Particular	**Opening Balance**	**Recognised in Profit and Loss**	**Closing Balance**
Deferred tax assets in relation to			
Minimum alternative tax credit entitlement	0.36	-	0.36
Total deferred tax assets	**0.36**	**-**	**0.36**

The movement in gross deferred income tax assets for the year ended 31 March 2020 is as follows:

Particular	**Opening Balance**	**Recognised in Profit and Loss**	**Closing Balance**
Deferred tax assets in relation to			
Minimum alternative tax credit entitlement	0.36	-	0.36
Total deferred tax assets	**0.36**	**-**	**0.36**

The company has paid ₹ 0.36 crore of MAT as per the provisions of Income Tax Act, 1961 and has recognised the amount as deferred tax assets as there is a probable future economic benefit associated with the asset.

Note - 31

Earnings per equity share

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Profit/(Loss) after tax	7.57	(4.89)
Less: Dividend on preference share including corporate dividend tax	-	(0.32)
Profit/(loss) attributable to equity shareholders	7.57	(5.21)
Weighted average number of shares used in computing basic earnings per equity share	3,15,00,000	3,15,00,000
Add: Potential number of equity shares on exercise of ESOPs	-	-
Weighted average number of shares used in computing diluted earnings per equity share	3,15,00,000	3,15,00,000
Earnings per share		
Face value per share (₹)	10.00	10.00
Basic (₹)	2.40	(1.65)
Diluted (₹)	2.40	(1.65)

(₹ in crores)

Option granted to employees under the Schemes, SORIL Infra ESOS-2009 and SORIL Infra ESOS-2009(II) are considered to be potential equity shares. They have been included in the determination of diluted earning per share to the extent they are dilutive. Details relating to the option are set out in Note -39.

Note - 32

Commitments and contingencies

Contingent liabilities (to the extent not provided for)

a) Bank guarantees: Performance bank guarantees of ₹ 1.17 crore (31 March 2020: ₹ 1.17 crore).

b) Claims (excluding interest) against the Company not acknowledged as debts: ₹ 24.61 crore (31 March 2020: ₹ 24.56 crore).

c) There are no contingent liabilities in respect of income-tax demands for which appeals have been filed as at 31 March 2021 and 31 March 2020.

d) The above legal claims against the Company are in the ordinary course of business. Management has evaluated the same and depending upon the facts and after due evaluation of legal aspects of each case, no amount has been provided in respect of the claims made against the Company under these cases. Company does not expect any liability and these litigations /lawsuits and claims may, individually or in aggregate, will not have any material adverse effect on the financial position of the Company.

Commitments

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 0.55 (31 March 2020: ₹ Nil).

Note - 33

Investment in subsidiaries

a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements".

b) The Company 's investments in subsidiaries are as under:

Name of subsidiary	Country of incorporation	Proportion of ownership interest	Method used to account for the investment
Store One Infra Resources Limited	India	100%	At cost
Indiabulls Rural Finance Private Limited	India	100%	At cost

Note - 34

Restructuring of business

The Company has agreed to the restructuring of the businesses with Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited). The update and the jist of the proposal is as follows:

Upon receipt of NOCs (observation letters) from the National Stock Exchange of India Limited and BSE Limited, during FY 2019-20, the Company had filed the Company Application, under Section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT in respect of the Scheme of Amalgamation and Arrangement amongst ("Transferee Company" or "Demerging Company 1"), Albasta Wholesale Services Limited ("Transferor Company 1"), Sentia Properties Limited ("Transferor Company 2"), Lucina Infrastructure Limited ("Transferor Company 3"), Ashva Stud and Agricultural Farms Limited ("Transferor Company 4"), Mahabala Infracon Private Limited ("Transferor Company 5"), SORIL Infra Resources Limited, the Company, ("Transferor Company 6"), Store One Infra Resources Limited ("Transferor Company 7"), Indiabulls Enterprises Limited ("Resulting Company 1"), Indiabulls Pharmaceuticals Limited ("Demerging Company 2") and Indiabulls Pharmacare Limited ("Resulting Company 2") and their respective shareholders and creditors.

(₹ in crores)

Note - 35

Lease related disclosures as per Ind AS 116

The Company has leases for office spaces, warehouses and machine yards. With the exception of short-term leases and some of the leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

a) Break up value of the Current and Non - Current Lease Liabilities:

Particulars	31 March 2021	31 March 2020
Current lease liabilities	0.13	2.47
Non-current lease liabilities	0.38	4.75

b) Changes in the carrying value of right to use assets: (Refer note 5A)

c) Movement in lease liabilities:

Particulars	31 March 2021	31 March 2020
Opening balance	7.22	9.15
Addition during the year	0.47	0.14
Deduction/adjustment	(6.48)	-
Total	1.21	9.29
Finance cost accrued during the period	0.21	0.74
Payment of lease liabilities	(0.91)	(2.82)
Closing balance	0.51	7.22

d) Details regarding the contractual maturities of lease liabilities:

Particulars	Lease payments	Interest expense	Net present values
31 March 2021			
Within 1 year	0.17	(0.04)	0.13
1-2 years	0.15	(0.03)	0.12
2-5 years	0.29	(0.03)	0.26
More than 5 years	-	-	-
Total	**0.61**	**(0.10)**	**0.51**
31 March 2020			
Within 1 year	3.02	(0.55)	2.47
1-2 years	3.15	(0.31)	2.84
2-5 years	2.01	(0.10)	1.91
More than 5 years	-	-	-
Total	**8.18**	**(0.96)**	**7.22**

(₹ in crores)

e) Rental expense not included in the measurement of the lease liabilities is as follows:

Particulars	31 March 2021	31 March 2020
Short-term leases	0.37	0.47
Leases of low value assets	0.09	0.16
Total	**0.46**	**0.63**

f) Amounts recognised in profit or loss:

Particulars	31 March 2021	31 March 2020
Interest on lease liabilities	0.21	0.74
Depreciation charged for the year	0.85	2.56
Expenses relating to short term lease and low-value assets (includes in rent expenses)	0.46	0.63

g) Amounts recognised in the statement of cash flows:

Particulars	31 March 2021	31 March 2020
Total cash outflow for Lease as per Ind AS 116	0.91	2.82

Note - 36

Employee benefits -retiral

Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Ind AS 19 – Employee Benefits:

(A) Post retirement defined contribution plan

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee’s salary.

During the year, the Company has recognized the expense in the statement of profit and loss in respect of following contributions:

Particulars	31 March 2021	31 March 2020
Contributions made to:		
Employees’ provident fund organisation	0.21	0.23
Employees’ state insurance corporation	0.02	0.01
Labour welfare fund	0.01	0.01
Employees’ national pension scheme	0.05	0.23
Total	**0.29**	**0.48**

(B) Post retirement defined benefit obligation

The Company has the following defined benefit plans:

- Gratuity (unfunded)
- Compensated absences (unfunded)

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (Ind AS) 19 on ‘Employee Benefits’, obligation are actuarially determined using the ‘Projected Unit Credit’ Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

(₹ in crores)

Disclosure in respect of gratuity, compensated absences as per actuarial valuation:

Particulars		Gratuity		Compensated absences	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
i)	**Amount recognised in balance sheet**				
	Present Value of obligation (as per acturial valuation)	1.65	1.50	1.07	1.18
	Fair value of plan assets	NA	NA	NA	NA
	Net liabilities as per acturial valuation	**1.65**	**1.50**	**1.07**	**1.18**
	Reported as Provisions -Current	**0.01**	**0.02**	**0.02**	**0.02**
	Reported as Provisions -Non-Current	**1.64**	**1.48**	**1.05**	**1.16**
	Movement in net liabilities recognised:				
	Net liabilities as at the beginning of the year	1.50	1.12	1.18	0.86
	Amount (paid) during the year/transfer adjustment	(0.23)	(0.06)	-	-
	Net expenses recognised / (reversed) in the Profit and Loss and OCI	0.39	0.44	(0.11)	0.33
	Net liabilities as at the end of the year	**1.65**	**1.50**	**1.07**	**1.18**
ii)	**Amount recognised in Profit and Loss**	**-**	**-**	**-**	**-**
	Current service cost	0.54	0.56	0.47	0.49
	Interest Cost	0.10	0.10	0.08	0.07
	Actuarial (gains) / losses	-	-	(0.66)	(0.23)
	Expected return on plan assets	NA	NA	NA	NA
	Expenses charged / (reversal)	**0.64**	**0.66**	**(0.11)**	**0.33**
	Return on plan assets	NA	NA	NA	NA
	Amount recognised in the other comprehensive income				
	Actuarial gain/(loss) recognised during the year	(0.25)	(0.23)	-	-
iii)	**Present value of defined benefit obligations:**				
	obligation as at the beginning of the year	1.50	1.12	1.18	0.86
	Current service cost	0.54	0.56	0.47	0.49
	Interest cost	0.10	0.10	0.08	0.07
	(Paid benefits)	(0.23)	(0.06)	-	-
	Actuarial (gains) / losses recognised in OCI	**(0.25)**	**(0.23)**	**(0.66)**	**(0.23)**
	Present value of the obligation as at the end of the year	**1.65**	**1.50**	**1.07**	**1.18**
	Reconciliation of plan assets	**NA**	**NA**	**NA**	**NA**

N.A. - not applicable

(₹ in crores)

iv) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumptions is as shown below:

Gratuity

Assumptions	Discount rate			
	31 March 2021		31 March 2020	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligations	(0.11)	0.12	(0.10)	0.11

Gratuity

Assumptions	Expected rate of salary increase			
	31 March 2021		31 March 2020	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligations	0.12	(0.11)	0.10	(0.10)

Compensated absences

Assumptions	Discount rate			
	31 March 2021		31 March 2020	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligations	(0.07)	0.08	(0.08)	0.08

Gratuity

Assumptions	Expected rate of salary increase			
	31 March 2021		31 March 2020	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligations	0.08	(0.07)	0.08	(0.08)

v) Actuarial assumptions and expected cash flows:

The actuarial calculations used to estimate obligation and expenses in respect of unfunded gratuity, compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity		Compensated absences	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	6.79%	6.80%	6.79%	6.80%
Expected return on plan assets	NA	NA	NA	NA
Expected rate of salary increase	5.50%	5.50%	5.50%	5.50%
Mortality table	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)

(₹ in crores)

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	Gratuity		Compensated absences	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Within the next 12 months (next annual reporting period)	0.01	0.02	0.02	0.02
Between 1 and 2 years	0.02	0.01	0.02	0.02
Between 2 and 6 years	0.21	0.14	0.16	0.11
Beyond 6 years	1.41	1.33	0.87	1.03
Total expected payments	**1.65**	**1.50**	**1.07**	**1.18**

vi) New Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security,2020 on November 13 , 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/contributions by the Company could be material. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note - 37

Segment Reporting

(₹ in crores)

A) General information

For management purposes, the Company is organised into business units based on the nature of the products and services and their differing risks and returns. The organisation structure and internal reporting system has three reportable segments, as follows:

i) Equipment renting services, ii) Management and maintenance services, and iii) LED Lighting

No operating segments have been aggregated to form the above reportable operating segments.

The Company operates solely in one geographic segment namely within "India" and hence no separate information for geographic segment wise disclosure is required.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

The Chief Operating Decision Maker ("CODM") monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

ii) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "Unallocable".

B) Primary segment information (by business segments)

Particulars	Equipment renting services		Management and maintenance services		LED Lighting		Total	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Revenue								
External revenue	46.73	75.65	37.96	26.85	50.16	68.24	134.85	170.74
Inter-segment revenue	-	-	-	-	-	-	-	-
Total revenue	**46.73**	**75.65**	**37.96**	**26.85**	**50.16**	**68.24**	**134.85**	**170.74**
Segment expenses	46.41	61.54	31.78	32.21	62.27	90.03	140.46	183.78
Segment result	**0.32**	**14.11**	**6.18**	**(5.36)**	**(12.11)**	**(21.79)**	**(5.61)**	**(13.04)**
Segment assets	**196.15**	**215.53**	**25.30**	**18.38**	**27.77**	**39.44**	**249.22**	**273.35**
Segment liabilities	**45.77**	**55.01**	**18.12**	**12.58**	**27.18**	**26.38**	**91.07**	**93.97**
Other disclosures								
Depreciation and amortization expense	19.28	20.53	0.27	0.34	0.92	2.07	20.47	22.94
Depreciation and amortization expense (unallocable)							0.53	0.94
Capital expenditure	0.74	3.54	-	0.05	-	0.88	0.74	4.47
Capital expenditure (unallocable)							-	0.12
Non-cash expenditure other than depreciation	1.27	0.77	2.20	0.14	0.19	1.36	3.67	2.27
Non-cash expenditure other than depreciation (unallocable)							1.51	2.65

(₹ in crores)

C) Reconciliations to amounts reflected in the financial statements

Reconciliation of Revenue	31 March 2021	31 March 2020
Segment revenue	134.85	170.74
Unallocated revenue	-	2.68
Total revenue	**134.85**	**173.42**

Reconciliation of profit	31 March 2021	31 March 2020
Segment Profit/(loss)	(5.61)	(13.04)
Add : Unallocated other income net of unallocated expenditure	18.27	10.82
Less: Interest expense (managed as entity level)	5.09	2.67
Profit/(loss) before tax	7.57	(4.89)
Less: Income-tax	-	-
Profit/(loss) after tax	7.57	(4.89)

Reconciliation of assets	31 March 2021	31 March 2020
Segment operating assets	249.22	273.35
Unallocated corporate assets	389.40	334.78
Total assets	**638.62**	**608.13**

Reconciliation of liabilities	31 March 2021	31 March 2020
Segment operating liabilities	91.07	93.97
Unallocated corporate assets	312.11	287.38
Total liabilities	**403.18**	**381.35**

Note - 38 (₹ in crores)

Disclosures in respect of 'Related party'

a) Name and nature of relationship with related parties:

Relationship	**Name of related parties**
i) Related party exercising control :	
Holding company	Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Services Limited)
ii) Related party where control exist:	
Wholly owned companies	Indiabulls Rural Finance Private Limited
	Store One Infra Resources Limited
iii) Other related parties:	
Fellow subsidiary companies*	Ashva Stud And Agricultural Farms Limited
	Albasta Wholesale Services Limited
Key management personnel	Mr. Anil Malhan (Whole Time Director)

* With whom significant transactions have been taken place during the current and/or previous year.

(b) Summary of significant transactions with related parties:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salary / remuneration (including post-employment benefits – gratuity & compensated absences)		
Key management personnel		
Mr. Munish Taneja	0.38	-
Total	**0.38**	**-**
Loans (given)/received back, (net)		
Fellow subsidiary companies		
Ashva Stud & Agri Farms Limited	(68.00)	-
Albasta Wholesale Services Limited	-	95.90
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	-	(83.30)
Store One Infra Resources Limited	(2.11)	-
Total	**(70.11)**	**12.60**
Loans and borrowings taken/(repaid), (net)		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	42.74	-
Store One Infra Resources Limited	-	8.55
Total	**42.74**	**8.55**
Reimbursement of expenses		
Wholly owned subsidiary		
Store One Infra Resources Limited	(0.01)	0.40
Total	**(0.01)**	**0.40**

(₹ in crores)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other Income-Interest income on loans:		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	1.80	8.86
Store One Infra Resources Limited	0.03	-
Fellow subsidiary companies		
Albasta Wholesale Services Limited	-	1.66
Ashva Stud & Agri Farms Limited	4.89	-
Total	**6.72**	**10.52**
Finance costs-Interest on borrowings:		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	1.64	-
Store One Infra Resources Limited	0.62	1.24
Total	**2.26**	**1.24**

(c) Statement of maximum outstanding balance during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Inter corporate loan given		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	83.30	133.00
Store One Infra Resources Limited	2.11	-
Fellow subsidiary companies		
Albasta Wholesale Services Limited	-	95.90
Ashva Stud & Agri Farms Limited	78.00	-
Total	**163.41**	**228.90**
Inter corporate loan taken		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	42.74	-
Store One Infra Resources Limited	8.55	83.58
Total	**51.29**	**83.58**

(d) Outstanding balances :

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inter corporate loan given		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	-	83.30
Store One Infra Resources Limited	2.11	-
Fellow subsidiary company		
Albasta Wholesale Services Limited	68.00	-
Total	**70.11**	**83.30**

(₹ in crores)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inter corporate loan taken		
Wholly owned subsidiaries		
Indiabulls Rural Finance Private Limited	42.74	-
Store One Infra Resources Limited	-	8.55
Total	**42.74**	**8.55**
Interest accrued on Inter corporate loan taken		
Wholly owned subsidiaries		
Store One Infra Resources Limited	-	1.12
Total	**-**	**1.12**
Interest accrued on Inter corporate loan given		
Wholly owned subsidiary		
Store One Infra Resources Limited	0.03	-
Total	**0.03**	**-**
Others receivables		
Wholly owned subsidiary		
Store One Infra Resources Limited	0.67	0.68
Total	**0.67**	**0.68**

(e) Corporate guarantee:

Particulars	As at 31 March 2021	As at 31 March 2020
Corporate guarantee taken for secured borrowings		
Holding company		
Yaarii Digital Integrated Services Limited	18.46	31.97
Total	**18.46**	**31.97**

*Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

Note - 39 Share Based Payments

Employees' Stock Option Schemes of the Company:

1. SORIL Infra Resources Limited Employee Stock Option Scheme - 2009

The Shareholders vide postal ballot passed a special resolution on 09 February 2009 for issue of 15,00,000 (fifteen lacs) shares towards issue of Employee Stock Option Scheme -2009 in supersession of resolution passed on 12 May 2008 for ESOP -2008 .

The Compensation Committee, constituted by the Board of Directors of the Company, at its meeting held on 03 November 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009 ("SORIL Infra ESOS-2009" or "Scheme"), 15,00,000 (fifteen lacs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

(₹ in crores)

The title of the Scheme was changed from Store One Retail India Limited Employees Stock Option Scheme – 2009 to SORIL Infra Resources Limited Employee Stock Option Scheme – 2009 as per the revised certificate of incorporation dated 21 December 2016.

Following is a summary of options granted under the Scheme:

Particulars	No of Options	
	31 March 2021	31 March 2020
Opening balance	15,00,000	15,00,000
Granted during the year	Nil	Nil
Forfeited during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Closing balance	15,00,000	15,00,000
Vested and exercisable	900000	600000

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil).

The fair value of the option under Scheme using the black scholes model, based on the following parameters is ₹ 18.77 per option, as certified by an independent valuer.

Particulars	Scheme
Fair market value of option on the date of grant (₹)	18.77
Exercise price (₹)	168.3
Expected volatility	32.28% to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

2. SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II)

Shareholder's of the Company in their Annual General Meeting held on 30 September 2009 have approved by way of special resolution the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), covering 30,00,000 (thirty lacs) equity settled options for eligible employees of the Company, its subsidiaries, its fellow subsidiaries and the holding company.

The Compensation Committee, constituted by the Board of Directors of the Company, at its meeting held on 03 November 2017, granted, under the SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) ("SORIL Infra ESOS-2009(II)" or "Scheme-II"), 30,00,000 (thirty lacs) stock options representing an equal number of Equity shares of face value ₹ 10 each in the Company, to the eligible employees, at an exercise price of ₹ 168.30 per option, being the latest available closing market price on the National Stock Exchange of India Limited, on the date of grant. The stock options so granted, shall vest in the eligible employees within 5 years beginning from first vesting date. The stock options granted under each of the slabs, can be exercised by the grantees within a period of 5 years from the relevant vesting date.

The title of the Scheme-II was changed from Store One Retail India Limited Employees Stock Option Scheme - 2009(II) to SORIL Infra Resources Limited Employee Stock Option Scheme - 2009(II) as per the revised certificate of incorporation dated 21 December 2016.

(₹ in crores)

Following is a summary of options granted under the Scheme-II :

Particulars	No of Options	
	31 March 2021	31 March 2020
Opening balance	30,00,000	30,00,000
Granted during the year	Nil	Nil
Forfeited during the year	Nil	Nil
Exercised during the year	Nil	Nil
Expired during the year	Nil	Nil
Closing balance	30,00,000	30,00,000
Vested and exercisable	18,00,000	12,00,000

Weighted average share price of exercised option on the date of exercise was for the year ended 31 March 2021: ₹ Nil (31 March 2020: ₹ Nil).

The fair value of the option under Scheme-II using the black Scholes model, based on the following parameters is ₹ 18.77 per option, as certified by an independent valuer.

Particulars	Scheme
Fair market value of option on the date of grant (₹)	18.77
Exercise price (₹)	168.3
Expected volatility	32.28% to 51.22%
Expected forfeiture percentage on each vesting date	20.00%
Expected option life (weighted average)	8 Years
Expected dividend yield	50.00%
Risk free interest rate	6.56% to 7.01%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

3. SORIL Infra Resources Limited Employee Stock option scheme -2018 ("SORIL Infra ESOS-2018")

On 29 September 2018, pursuant to the approval by the Shareholders in the Annual general meeting, the Board (including a committee thereof) has been authorised to create, offer, issue and allot stock options to eligible employees and Directors of the company of its existing and future subsidiaries upto 30,00,000 (Thirty lacs) equity shares of ₹ 10 each in one or more tranches and upon such terms and conditions as may be deemed appropriate by the Board. The Scheme shall vest within 5 years from the date of the grant.

During the year, the Company has recognised Share based payment expenses of ₹ 0.84 crore (31 March 2020: ₹ 1.66 crore).

During the year ended 31 March 2021, no ESOP/ESOS were exercised or allotted by the Company in any of the above Schemes.

Note - 40

Financial instruments-accounting classification and fair value measurement

A Fair value measurements

(i) Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction, in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

(₹ in crores)

(ii) Valuation governance

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product, initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions. The responsibility of ongoing measurement resides with the business units.

(iii) Fair value hierarchy :

The Company uses the hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole, as explained in Note no. 3.2

For financials assets and financials liabilities which are measured at fair value as at the Balance Sheet date, the classification of fair value calculations by category is summarised below:

Financial assets measured at fair value

31 March 2021	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Investments (Mutual funds)	0.74	-	-	0.74

Financial assets measured at fair value

31 March 2020	Level 1	Level 2	Level 3	Total
Financial instruments at FVTPL				
Investments (Mutual funds)	-	-	-	-

(iv) Valuation techniques

Mutual fund

Open ended mutual funds are valued at NAV declared by respective fund house as on the balance sheet date and are classified under Level 1.

B Classification of Financial Assets and Financial Liabilities

i) Financial instruments by category

Particulars	31 March 2021			31 March 2020		
	FVTPL*	FVOCI	Amortised cost	FVTPL*	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	9.44	-	-	4.63
Other bank balances	-	-	1.02	-	-	1.07
Trade receivables	-	-	82.28	-	-	69.34
Loans	-	-	251.04	-	-	194.83
Other financial assets	-	-	0.89	-	-	0.81
Investments (Mutual funds)	0.74	-	-	-	-	-
Total financial assets	**0.74**	**-**	**344.67**	**-**	**-**	**270.68**
Financial liabilities						
Borrowings	-	-	322.81	-	-	305.43
Trade payables	-	-	36.24	-	-	28.01
Other financial liabilities (including lease liabilities)	-	-	38.06	-	-	42.08
Total financial liabilities	**-**	**-**	**397.11**	**-**	**-**	**375.52**

(₹ in crores)

Investment in subsidiaries and joint ventures are measured at cost as per Ind AS 27, 'Separate financial statements'.

* These financial assets are mandatorily measured at fair value.

The management has assessed that the carrying value of financial assets and financial liabilities measured at amortised costs (cash and cash equivalents, other bank balances, trade receivables, other financial assets, borrowings, trade payables and other financial liabilities including lease liabilities) represents the best estimate of fair value largely due to the short term nature of these instruments.

ii) Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit and Loss are as follows:

Particulars	31 March 2021	31 March 2020
Financial assets measured at amortised cost		
Interest income	22.93	15.66
Profit on sale of investments (net)	-	3.42
Income on lease modification as per IndAS 116	0.62	-
Allowance for trade receivables	(3.32)	(0.59)
Financial assets measured at fair value through profit or loss		
Dividend Income on units of mutual fund(s)	0.09	0.21
Financial liabilities measured at amortised cost		
Interest on borrowings	(8.73)	(8.33)
Interest on lease liabilities	(0.21)	(0.74)
Net gain recognised in the Statement of Profit and Loss	**11.38**	**9.63**

Note - 41

Financial risk management objective and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is set by the Board to achieve robust risk management framework to identify, monitor, mitigate and minimise risks arising from financial instruments. The Company primary focus is to foresee the unpredictability of financial markets and seek to minimise the potential adverse effects on its financial performance. A summary of the risks have been given below:

The Company's principal financial liabilities comprise of borrowings, trade and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, investments, cash and cash equivalents, other bank balances and other financial assets that arise directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk.

A Credit risk:

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

Financial assets other than trade receivables

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with it's policy. Surplus funds are parked only within approved investment categories with well defined limits. Investment category is periodically reviewed by the Company's Board of Directors.

Credit risk arising from short-term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies. None of the financial instruments of the Company result in material concentration of credit risks

(₹ in crores)

Allowance for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets:

As at 31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of expected credit losses
Cash and cash equivalents	9.44	-	9.44
Other bank balances	1.02	-	1.02
Trade receivables	86.19	3.91	82.28
Loans	251.04	-	251.04
Other financial assets	0.89	-	0.89

As at 31 March 2020

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of expected credit losses
Cash and cash equivalents	4.63	-	4.63
Other bank balances	1.07	-	1.07
Trade receivables	69.93	0.59	69.34
Loans	194.83	-	194.83
Other financial assets	0.81	-	0.81

Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major customers. The management is also monitoring the receivables levels by having frequent interactions with responsible persons for highlighting potential instances where receivables might become overdue.

Trade receivables consist of a large number of customers spread across India with no significant concentration of credit risk. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Therefore, the Company does not expect any material risk on account of non-performance by any of its counterparties.

Expected credit loss for trade receivables under simplified approach

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Reconciliation of allowance of credit risk	Trade receivables
Allowances as on 1 April 2019	-
Allowance recognised/reversed during the year	0.59
Allowances on 31 March 2020	0.59
Allowance recognised/reversed during the year	3.32
Allowances on 31 March 2021	3.91

B Liquidity risk **(₹ in crores)**

The Company manages liquidity risk by maintaining sufficient cash and investment in mutual funds and loan given to fellow subsidiaries. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Contractual maturities of financial liabilities					
Borrowings (including current maturities)	324.85	13.64	3.76	1.01	343.26
Trade payables	36.24	-	-	-	36.24
Other financial liabilities (including lease liabilities)	17.23	0.12	0.10	0.16	17.61
Total	**378.32**	**13.76**	**3.86**	**1.17**	**397.11**

31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Contractual maturities of financial liabilities					
Borrowings (including current maturities)	299.53	18.63	7.20	0.05	325.41
Trade payables	28.01	-	-	-	28.01
Other financial liabilities (including lease liabilities)	17.35	2.84	1.55	0.36	22.10
Total	**344.89**	**21.47**	**8.75**	**0.41**	**375.52**

C Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates. Equipment loans are on fixed rate basis and hence not subject to interest rate risk. The cash credit facility is on floating rate basis.

Interest Rate Exposure:

Particulars	31 March 2021	31 March 2020
Fixed rate borrowings	38.86	45.86
Floating rate borrowings	-	9.34
Total	**38.86**	**55.20**
Interest rate sensitivities for floating rate borrowings (impact of increase in 1%):	-	0.09

Note: If the rate is increase/decrease by 1%, the profit will decrease/increase by an equal amount.

(₹ in crores)

(ii) Equity price risk: (₹ in crores)

The Company is not exposed to equity price risk arising from Equity Investments (other than Subsidiary, carried at cost).

(iii) Foreign exchange risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the capital expenditure, LED lighting and spares parts.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like forwards to hedge exposure to foreign currency risk.

Foreign currency risk exposure:

Particulars	Currency	31 March 2021		31 March 2020	
		INR	Foreign Currency	INR	Foreign Currency
Trade payables	USD	0.01	1,200.00	0.27	36,400.00
Advances	USD	0.55	75,835.50	0.18	24,314.98

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade payables	USD	0.00	0.00	(0.00)	(0.00)
Advances	USD	0.01	0.00	(0.01)	(0.00)

D Risk due to outbreak of COVID-19 pandemic

The pandemic of Corona Virus (COVID-19) has caused unprecedented havoc to the economic activity all around the Globe. The complete lock down announced on 24 March 2020 by the Government of India brought the wheels of economic activity to a grinding halt. The operations are slowly and gradually resuming and expected to reach pre–COVID-19 level in due course of time. The Company is continuously and closely observing the unfolding situation and will continue to do so. The Company has considered the possible impact of COVID-19 in preparing the financial results including the recoverable value of its assets and its liquidity position based on internal and external information upto the date of approval of these financial results.

Note - 42 Capital management

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

(₹ in crores)

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

Debt equity ratio

Particular	31 March 2021	31 March 2020
Total Debt (Bank and other borrowings)	38.86	55.20
Less: Current Investments (Mutual Funds)	(0.74)	-
Less: Cash and cash equivalents, other bank balances	(10.46)	(5.70)
Net Debt	27.66	49.50
Total equity	235.44	226.78
Net debt to equity	0.12	0.22

Note - 43

Dividend on Preference Shares

Preference dividend on 9% Redeemable non -cumulative, non-convertible preference share of ₹ 0.00 crore (31 March 2020: ₹ 0.27 crore) and dividend distribution tax of ₹ 0.00 crore (31 March 2020: ₹ 0.06 crore).

Note - 44

The sitting fees paid to non-executive directors is ₹ 0.12 crore (31 March 2020: ₹ 0.06 crore).

Note - 45

Other Information

a) There are no dues payable under section 125 of Companies Act, 2013 as at 31 March 2021 and 31 March 2020.

b) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on 31 March 2021 and 31 March 2020.

c) In the opinion of the Board of Directors, all current assets and long term loans and advances, appearing in the balance sheet as at 31 March 2021 and 31 March 2020 have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

d) Figures for the previous year have been regrouped/reclassified wherever necessary to conform to the current year's presentation.

e) Current year and previous year figures have been rounded off to the nearest crore of rupees upto two decimal places. The figure ₹ 0.00 wherever stated represents value less than ₹ 50,000/-.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number : 005975N

Vikas Aggarwal
Partner
Membership Number: 097848

Place: Gurugram
Date: 08 May 2021

For and on behalf of the Board of Directors

Anil Malhan
Executive Director
[DIN : 01542646]

Munish Taneja
Executive Director
[DIN : 08851660]

Vijay Kumar Agrawal
Chief Financial Officer

Vikas Khandelwal
Company Secretary